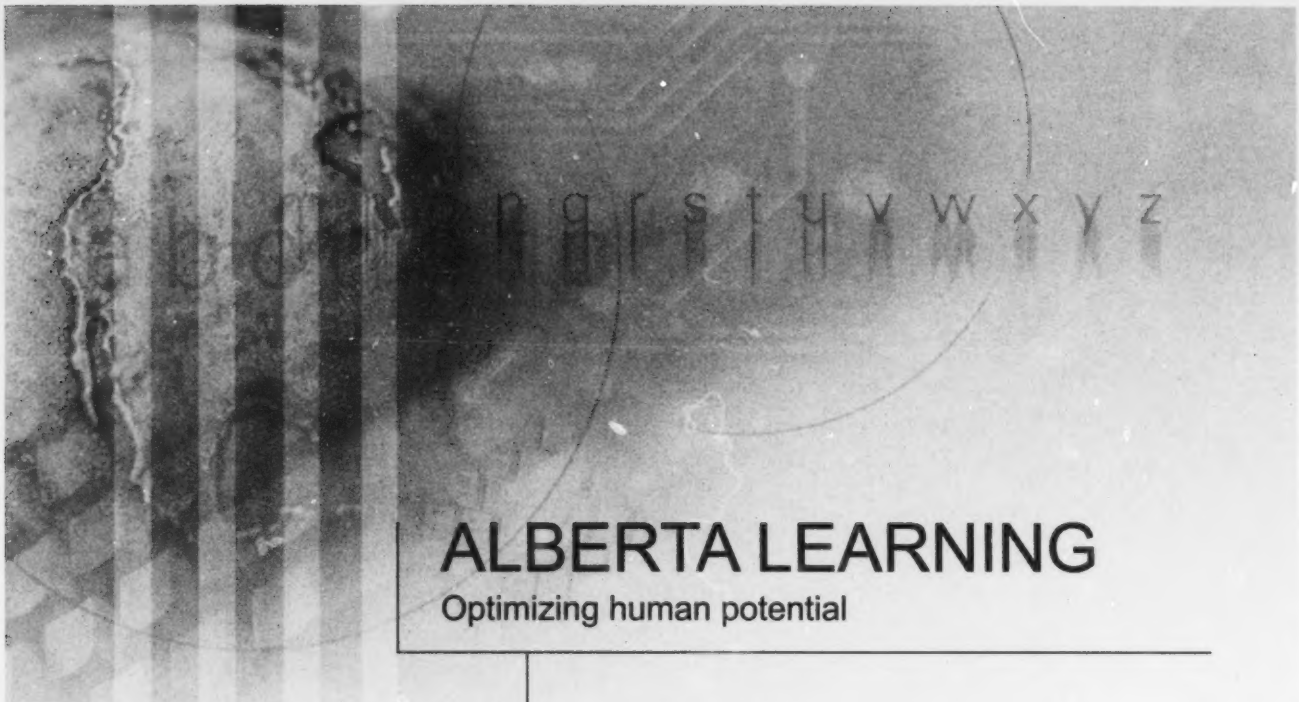

ALBERTA LEARNING

Optimizing human potential

Annual Report 2002/2003

Government of Alberta

2001 & 2002 IPAC
Gold Award
for Innovative
Management

Alberta
LEARNING

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2. Preface

Public Accounts 2002/03

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The annual report of the Government of Alberta released June 2003 contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Learning contains the Minister's accountability statement, the audited consolidated financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes:

- **the financial statements of entities making up the Ministry including the Department of Learning and the Alberta School Foundation Fund for which the Minister is responsible,**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report,**
- **financial information relating to accountable organizations and trust funds which includes the Alberta Teachers' Retirement Fund, school authorities in the public education system (public and separate school boards and charter schools), the universities, technical institutes, public colleges and the Banff Centre for Continuing Education.**

3. Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2003 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 10, 2003 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Dr. Lyle Oberg
Minister of Learning

4. Minister's Message

Just as Albertans seek to improve themselves through lifelong learning, the Ministry of Learning is engaged in the continuous improvement of our learning system. Both journeys of improvement are intertwined and collaborative, with learners, educators, parents, the community and the province working together towards common goals.

The past year has been a journey of accomplishments and challenges. Our ministry must ensure the learning system is responsive to the educational needs of all Albertans, while remaining flexible and sustainable. To this end, the Commission on Learning was established to conduct a comprehensive review of the basic learning (K-12) system to aid us in planning for the future.

While the Commission dialogued with Albertans, the Ministry continued to demonstrate leadership in making the most of our significant investment in education through the redesign of the basic learning funding allocation model, development of an Apprenticeship Tuition Fee Policy, the Post-Secondary Strategic Framework including a revised tuition fee policy, and the work to develop a Technology Standards and Standard Solution Policy Framework.

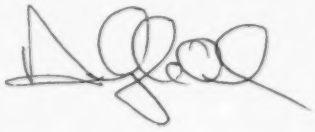
Alberta played a leadership role nationally in a number of Council of Ministers of Education Canada (CMEC) initiatives, including development of Pan-Canadian post-secondary priorities and a framework to guide the future evolution of student financial assistance, as well as building an online portal of online resources. The province is leading the redevelopment of the Canada-wide testing program, with the Pan-Canadian Assessment Program (PCAP) replacing The School Achievement Indicators Program (SAIP). Also a partnership was initiated with British Columbia's Ministry of Education to strengthen the learning systems of both provinces.

Internationally, the high quality of our learning system continues to stand as a model of success and Alberta is embracing global opportunities to benefit learners at home and share our expertise around the world. We led a Mission to Asia that expanded our international education partnerships, and worked with Cuba, Trinidad, China and Bermuda to assist in setting up apprenticeship training systems. Alberta's excellent international results in reading, science and math (PISA 2000) and innovations (Alberta Initiative for School Improvement -- AISI), drew international attention, resulting in international speaking engagements at the Organization for Economic Cooperation and Development (OECD) conference in Berlin and at an educational leadership conference in Australia. While abroad, we signed agreements for teacher exchanges and collaborative e-learning projects with Australia and New Zealand, and initiated an agreement with Saxony for school twinnings as well as exchanges of information, teachers, students and language assistants.

Alberta's commitment to innovation puts us at the leading edge of advancements in education. Teachers across the province continued to discover and share effective practices through AISI projects. The Grade 9 Science e-textbook engaged students by expanding the borders of learning beyond the printed page. We also employed innovative thinking and approaches across the system to improve opportunities for Aboriginal learners.

The high achievement of all the province's learners continues to be a priority and we can celebrate some very positive results. Alberta's 13 and 16 year olds ranked among Canada's top three jurisdictions on the SAIP writing assessment, and more high school students qualified for Rutherford Scholarships, a reflection of the academic excellence being achieved by Alberta's students.

Whether it is the outstanding marks of a student or enhancements to the learning system, the accomplishments of 2002/03 are the result of an ongoing journey of continuous improvement. As a Ministry we have chosen to travel along the path to creating the best learning system in the world.



Dr. Lyle Oberg
Minister of Learning

104-00165/

5. Management's Responsibility for Reporting

The Ministry of Learning includes:

- the Alberta School Foundation Fund
- the Department of Learning

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

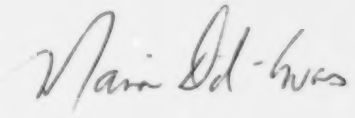
Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Minister of Learning. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the Province under Ministry administration,
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Learning any information needed to fulfill their responsibilities, and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.



Maria David-Evans
Deputy Minister
Alberta Learning

6. Overview

Introduction

In 2002/03, Alberta Learning continued to build on its strong foundation to focus on providing the best possible lifelong learning system for Alberta through implementation of the Ministry's business plan for 2002-2005.

Alberta Learning's vision, mission, principles and values define the Ministry. The Ministry's vision is its view of the future, and the mission explains the Ministry's reason for existence. The principles identify the Ministry's approach to conducting its business, and the values demonstrate the beliefs or traits that guide Ministry actions.

In 2002/03, the vision, mission, principles and values were:

Vision:
Optimizing human potential

Mission:
Alberta Learning's leadership and work with stakeholders build a globally recognized lifelong learning community that enables Albertans to be responsible, caring, creative, self-reliant and contributing members of a knowledge-based and prosperous society.

Principles:

- Learner centered by focusing the business of the lifelong learning system on the learner
- Accessible by providing Albertans with access to quality learning opportunities
- Collaborative by working with partners and stakeholders to develop seamless lifelong learning
- Accountable by ensuring system and fiscal accountability
- Responsive by creating a flexible learning system that meets and anticipates learner needs
- Innovative by implementing the latest global learning and technology solutions
- Equitable by providing equitable access to lifelong learning opportunities

Values:
Respect, Integrity, Trust, Openness, and Caring

The Ministry continued to play a key role in promoting cross-ministry Initiatives. The provincial government established these priorities that transcend the mandate of individual ministries. Alberta Learning collaborated on the following priority policy initiatives:

- Health Sustainability Initiative
- Aboriginal Policy Initiative
- Economic Development Strategy
- Alberta Children and Youth Initiative

And on the following key administrative priorities:

- Alberta Corporate Service Centre (ACSC)
- Corporate Human Resource Development Strategy
- Corporate Information Management/ Information Technology Strategy
- Service Alberta Initiative

In 2002/03, Alberta Learning maintained its emphasis on the achievement of results. The Ministry's performance and accomplishments are provided on the pages that follow, organized by the five goals of the 2002-05 Business Plan:

- High Quality Learning Opportunities
- Excellence in Learner Achievement
- Well Prepared Learners for Lifelong Learning, World of Work and Citizenship
- Effective Working Relationships
- Highly Responsive and Responsible Ministry

Ministry performance for 2002/03 is highlighted on page 7. Performance results are presented in more detail in the Results Analysis section starting on page 17. The Ministry's accomplishments for the year are highlighted on pages 8 & 9 and summarized in Section 9, starting on page 191. Ministry spending is highlighted on page 10 and described in more detail starting on page 40.

Highlights: Performance at a Glance

Ministry performance in 2002/03 on core measures (highlighted below and presented in the Results Analysis, pages 17-39) is assessed against the base year (typically 1997/98 or 1998/99, or earliest subsequent year data are available; see legend below). Targets are considered met if the result is within 95% of the target value, except for provincial achievement tests (see Endnote B, page 207). The confidence internal is taken into account in assessing change over time on survey measures (see Endnote A, pages 203-206).

Outcomes	Core Measures	Results for 2002/03
Goal One: High Quality Learning Opportunities		
Responsiveness and Flexibility	Satisfaction with the overall quality of education or training	√ Public satisfaction with the overall quality of basic education remains stable at 67%.
		√ A large majority (81%) of graduating post-secondary students remains satisfied with the overall quality of their post-secondary education.
		√ The percentage of recent apprenticeship graduates satisfied with their on-the-job training increased to 93%, while a very high percentage (95%) continued to be satisfied with their technical training.
Accessibility	Satisfaction with access	= A substantial majority of the public (73%) continues to be satisfied that adults have access to the education and training they want.*
Affordability	The learning system is within the means of most Albertans	↓ A majority of the public (52%) agrees the learning system is within the means of most Albertans.*
Goal Two: Excellence in Learner Achievement		
Learners demonstrate high standards	Student achievement	√ Overall, the percentages of students who achieved the standard of excellence on provincial achievement tests increased both for those who wrote (20.9%) and for all students in grade (18.8%), as did the percentage of writers who achieved the acceptable standard (85.6%).
		↑ Overall 76.8% of students enrolled in grades 3, 6 and 9 achieved the acceptable standard on provincial achievement tests.
		↑ Students met or exceeded the acceptable standard and the standard of excellence on more diploma examinations.*
Learners complete programs	Educational attainment	√ The high school completion rate within 5 years of entering grade 10 rose to 74%.
		√ The percentage of apprentices completing programs increased to 76%.
		↓ The completion rate of students in Alberta public post-secondary institutions declined in 2001/02 to 55% for university students and to 58% for college and technical institute students.*
		√ High school completion of Alberta 25-34 year-olds remains high at 89%.
		√ The percentage of Alberta 25-34 year-olds (58%) who complete post-secondary programs has increased.
Goal Three: Well Prepared Learners for Lifelong Learning, World of Work, and Citizenship		
Learners are well prepared for lifelong learning	Readiness to learn	↑ The percentage of students who participated in Early Childhood Services programs prior to grade 1 remains very high at 96%.**
	Preparation for lifelong learning	= A substantial majority of the public (72%) continues to agree that adult learners are well prepared for lifelong learning.
Learners are well prepared for employment	Employment rates of post-secondary graduates	√ The employment rate of post-secondary graduates has remained very high at 93.6%.
Learners are well prepared for citizenship	Satisfaction with preparation for citizenship	√ Public satisfaction that high school students are well prepared for citizenship (59%) has increased.
		√ Public satisfaction that adult learners are well prepared for citizenship (69%) has increased as well.
Goal Four: Effective Working Relationships		
Working relationships meet the learning needs	Partner and stakeholder satisfaction with Alberta Learning	√ A large percentage (83%) of cross-ministry partners and learning system stakeholders continues to agree that Alberta Learning staff are collaborative.
Joint initiatives contribute to the achievement of social and economic goals		√ The percentage of partners and stakeholders who agree that Alberta Learning staff are responsive has increased to 89%.
		√ The percentage (81%) of partners and stakeholders who agrees that Alberta Learning staff are flexible has increased.
Goal Five: Highly Responsive and Responsible Ministry		
The Ministry demonstrates leadership and continuous improvement in administrative and business processes and practices	Employee perceptions of support for staff development and expected outcomes for their work	↓ 3 out of 4 Alberta Learning staff agree that the organization provides the support needed for staff to acquire or develop knowledge or skills in their current job.*
		↑ A substantial majority of Alberta Learning staff (78%) agrees that the organization provides expected outcomes for their work.*

* No target set for 2002/03 for this measure. ** Proxy measure, no target set.

✓ Target Met Results over time for measures without targets, or not meeting target: ↑ Improved results = No change ↓ Performance decline

Highlights: Key Accomplishments, 2002/03

Goal 1: High Quality Learning Opportunities

- Implemented new and revised curriculum and related resources in Science and Mathematics, Career and Life Management, K-9 Health and Life Skills, Communication Technology and Information Processing, Aboriginal Studies, Spanish, German, Italian and Ukrainian.
- Developed and provided learning and teaching resources in key areas including the Safe and Caring Schools program and programming for students with learning disabilities, and Fetal Alcohol Spectrum Disorder.
- Provided educators with an on-line library of effective practices identified through the Alberta Initiative for School Improvement (AISI) projects.
- Completed a study on the effectiveness of safety courses in the Career and Technology Studies (CTS) curriculum.
- Piloted two grade 9 Science e-Textbooks on LearnAlberta.ca website.
- Collaborated with Innovation and Science and the SuperNet vendors to establish an Internet connection with over 20 learning institutions in the Red Deer/Rocky Mountain House area.
- Implemented an electronic Teaching Authority Validation System that provides schools and Early Childhood Services (ECS) operators a quick and convenient mechanism for confirming the valid certification of teachers being considered for employment.
- Developed and provided *Standards for Special Education* to school jurisdictions for mandatory implementation in September 2003.
- Improved the design of the Native Education Projects to ensure alignment with the First Nations, Métis and Inuit (FNMI) Education Policy Framework.
- Announced the creation of an Apprenticeship Tuition Fee Policy, which will be effective in August 2003.
- Released the MLA Committee on Lifelong Learning Report with recommendations on ways to help adults return to learning.
- Developed a framework for the Campus Alberta Board of Accreditation and Coordination.
- Responded to industry's demand for skilled tradespeople by using the Apprenticeship Access Fund to maintain an additional 5,175 apprenticeship technical training seats.
- Reduced student debt levels by issuing approximately $66 million in loan relief benefits and completion payments.
- In conjunction with the cross-government Corporate Capital Overview, developed priority criteria to ensure that the needs of the post-secondary system are identified in developing capital asset policies.
- In collaboration with stakeholders, redesigned the funding allocation model for the basic learning system.
- Signed four agreements with Australia and New Zealand for teacher exchanges and collaborative e-learning projects.
- Initiated a partnership with the German province of Saxony for school twinnings and exchanges of information, teachers, students and language assistants.

Goal 2: Excellence in Learner Achievement

- Alberta's students ranked among the top three jurisdictions in Canada on the School Achievement Indicators Program (SAIP) writing assessment, at level 2 for 13-year olds and level 3 for 16-year olds.
- The provincial government responded to an increase in academic excellence by raising the maximum amount available for Heritage Scholarships from $20 million to $22 million. There was an increase of 9% in recipients of Alexander Rutherford Scholarships, awarded to high school students with high academic achievement.
- Issued over $13 million in Achievement Scholarships to over 11,000 Alberta post-secondary students.
- Awarded 165 apprentices with $1,000 scholarships from the new $3.3 million apprenticeship scholarship fund to recognize their excellence in training and trade skills.
- Awarded $50,000 in scholarships to 50 high school graduates participating in the province's innovative Registered Apprenticeship Program (RAP).
- Recognized over 400 outstanding, innovative teachers nominated by Albertans for the Excellence in Teaching Award.
- Led the development of the Pan-Canadian Assessment Program (PCAP) to replace SAIP.
- Generated the first exams from the apprenticeship Inter-provincial Computerized Examination Management System (ICEMS), which improves the efficiency of the production and administration of Red Seal trade exams across Canada.
- In response to Motion 505 in the Legislature, reviewed the Provincial Achievement Testing Program to examine its effectiveness and posted the report on the Internet.

Goal 3: Well Prepared Learners for Lifelong Learning, World of Work and Citizenship

- Led a mission to Asia, accompanied by 23 representatives of school jurisdictions, post-secondary institutions and key stakeholder groups to promote Alberta's learning system. Participants signed nine co-operative agreements expanding Alberta's international education opportunities.
- Increased annual grants by 3% to over 150 community-based learning providers to support a variety of programs and courses, including adult basic literacy, English as a Second Language and settlement services for new immigrants.

- Provided inter-provincial mobility for tradespersons by issuing 3,974 individuals trade certificates with Red Seals in 2002 (January 1 to December 31).
- Enhanced inter-provincial mobility for gasfitters by developing an agreement recognizing gas industry credentials from Ontario, Manitoba, Saskatchewan and British Columbia as equivalent to an Alberta gasfitter trade certificate.
- Worked with the Department of National Defense to improve mobility and recognize certification in automotive service technician, heavy equipment technician and cook trades.

Goal 4: Effective Working Relationships

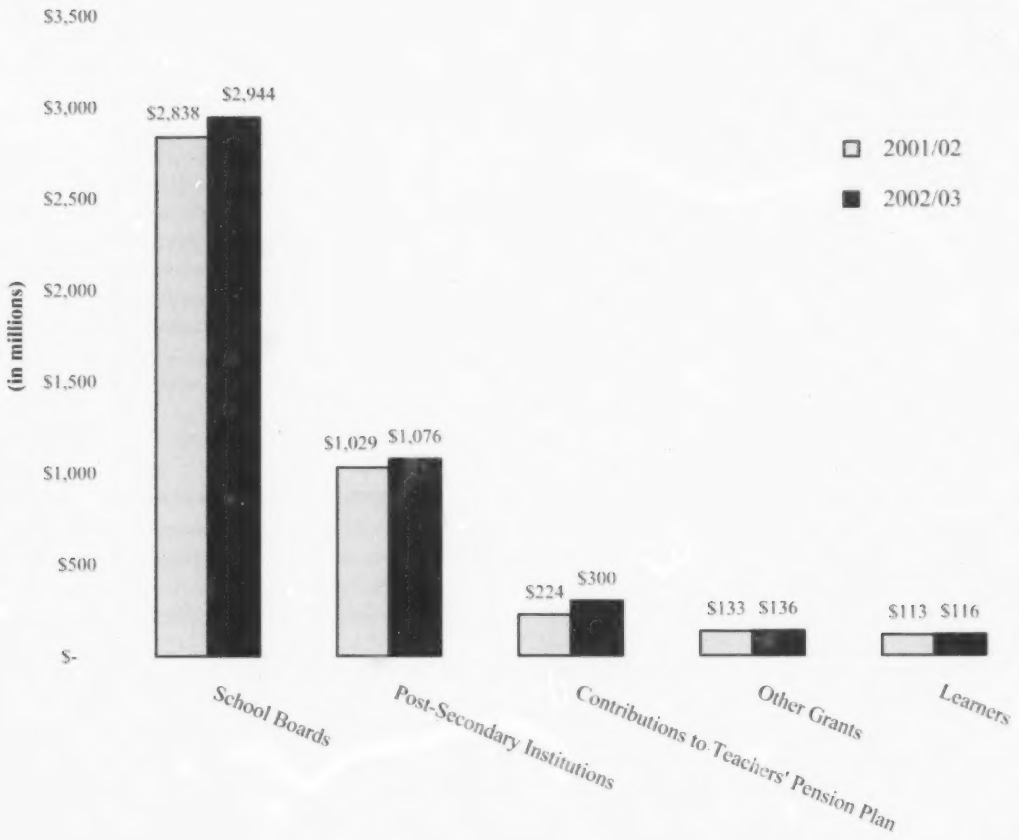
- Completed the development of measures for the basic learning system with stakeholder input through the Review Committee on Outcomes.
- Signed a Conditional Grant Agreement with the Alberta Home and School Councils' Association (AHSCA) that incorporated a performance based accountability framework.
- Led the development of a Pan-Canadian Education Portal of online resources for the Council of Ministers of Education Canada (CMEC) and participated in setting post-secondary priorities including credit transfer and university research.
- In collaboration with the federal government and CMEC, led the development of a Pan-Canadian framework to guide the long-term evolution of financial assistance to promote accessible and affordable post-secondary education.
- Continued to partner with 10 publishers to help schools save money when purchasing learning and teaching resources through the Aggregate Order Discount (AOD) Program, which has saved customers $600,000 over two years.
- Worked with government, training institutes and industry in Cuba, Trinidad, China and Bermuda to share expertise and assist in building their apprenticeship training systems and facilitate the training of tradespeople.
- Promoted lifelong learning by participating in the Pan-Canadian launch of International Adult Learners' Week, which was coordinated by the United Nations Educational, Scientific and Cultural Organization (UNESCO).
- Initiated a partnership with the British Columbia Ministry of Education to strengthen the education systems of both provinces.

Goal 5: Highly Responsive and Responsible Ministry

- Developed the post-secondary strategic framework, including the revised Tuition Fee Policy, policy direction for legislation, and clarification of roles and mandates of institutions.
- Created the *Manual for the Establishment of Separate School Districts and Request for Boundary Expansions* to support the boundary change request process.
- Co-led the Government of Alberta Business Planning Working Group, which developed a set of business plan guidelines that was approved for use in all ministries.
- Established a review team to work with school boards to help address anticipated accumulated operating deficits and completed 10 reviews.
- Developed a Technology Standards and Standard Solutions policy framework for stakeholder consultation that will improve information sharing and increase access to learning opportunities across the province.
- In support of affordable learning opportunities, processed over 128,000 applications for student loans, scholarships, and loan relief completion payments, from over 83,000 clients, an increase of 3.9% applicants.
- Completed the functional and technical design phases of the new Apprenticeship Trades and Occupations Management System (ATOMS) in alignment with Service Alberta.
- Reviewed applications for the designation of 31 new occupations for the Petroleum Services Association of Canada.
- Began consultations on designating Oil and Gas Well Driller as a compulsory certification trade and Steep Slope Roofer as an occupation.
- Maintained a high level of employer (95%) and apprenticeship graduate (93%) satisfaction with the services of Apprenticeship and Industry Training staff.
- Received the Premier's Award of Excellence for the Post-Secondary Funding Review, which is helping to shape the strategic agenda for the post-secondary system and to make educational opportunities more accessible, affordable and responsive through the adoption of new funding arrangements to institutions.
- Received the Premier's Award of Excellence for development of the Annual Report Item Management System (ARIMS).
- Implemented a web-based service for students to look up their own Alberta Student Number (ASN), and if not already available, to submit an online request for an ASN.
- Implemented leadership development and succession planning activities, including participation of 103 Alberta Learning staff members in programs to develop the Ministry's future leadership capacity.

See pages 191-202 for a detailed listing of Ministry accomplishments in 2002/03.

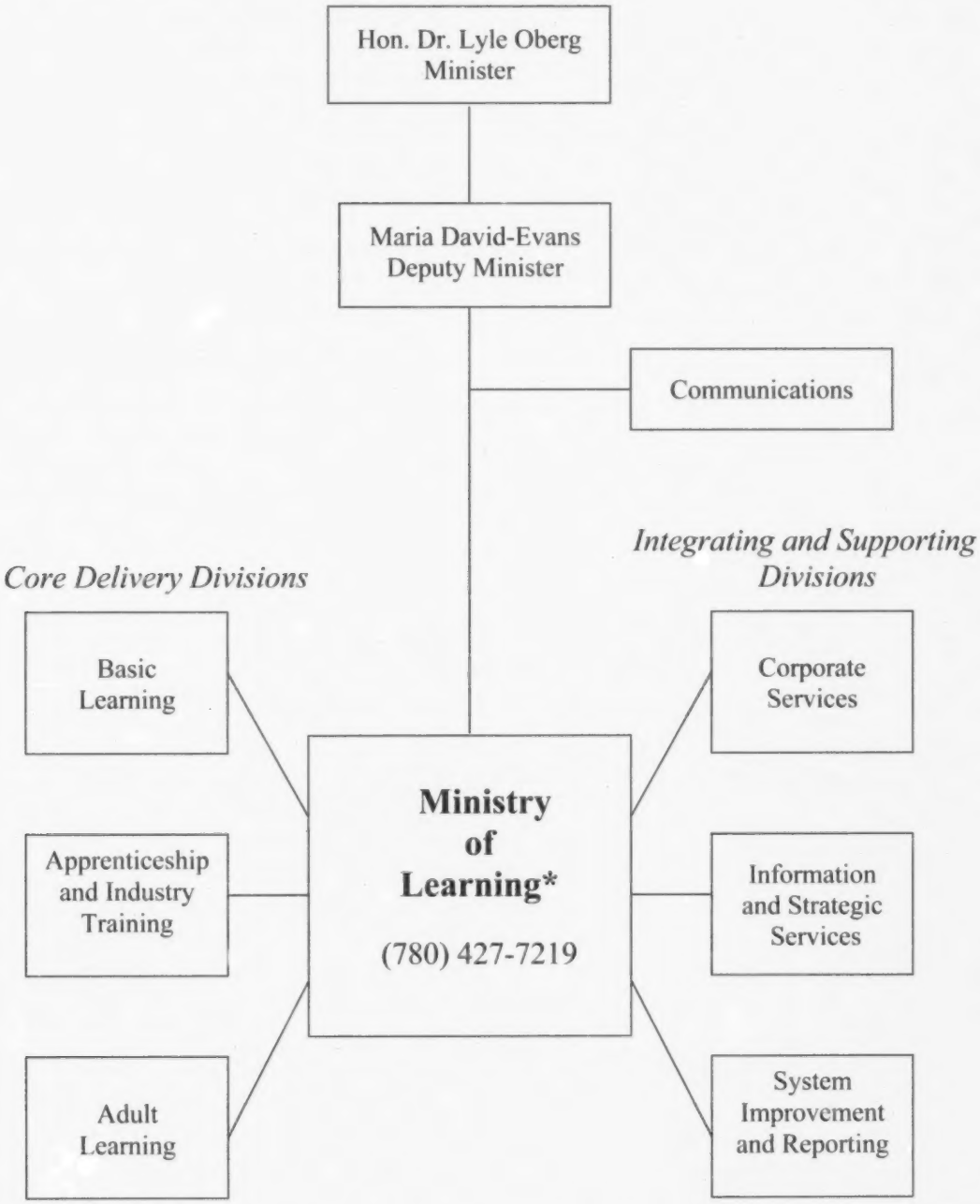
Ministry Grants



Grants account for 95% of the Ministry's expenses, and are categorized as follows:

- Grants to School Boards include instruction grants, as well as support for early childhood services, Student Health Initiative, and the Alberta Initiative for School Improvement. For comparability, 2001/02 actual results have been adjusted to reflect the transfer of responsibility for school operation and maintenance costs to the Ministry of Infrastructure.
- Post-Secondary Institution support includes operating grants, grants to improve the accessibility and equity of post-secondary learning and grants for faculty retention.
- Contributions to the Teachers' Pension Plan include grants for both current and past service, as well as a one-time payment on behalf of teachers in 2002/03 of $60 million toward the unfunded pension liability.
- Other grants include financial assistance to private schools for early childhood services and instruction, as well as grants to other areas including community education and learning television.
- Grants to Learners are funds provided to post-secondary students based on achievement and need, including scholarships and maintenance grants. In addition, a provision for the future cost of student loans issued is now included; an adjustment to 2001/02 reflects this addition.

Ministry of Learning Structure



*Includes:

- Department of Learning
- Alberta School Foundation Fund

Operational Overview: Ministry of Learning

The Ministry of Learning is comprised of two entities: the Alberta School Foundation Fund and the Department of Learning.

ALBERTA SCHOOL FOUNDATION FUND

The Alberta School Foundation Fund receives tax revenues from municipalities based on:

- the equalized assessment of real property in Alberta, and
- education mill rates established by the Lieutenant Governor in Council.

These monies, along with those from provincial General Revenues, are allocated on a fair and equitable basis to school boards.

DEPARTMENT OF LEARNING

Learners are the central focus of the Ministry. Each year, about 750,000 Albertans, from preschoolers to seniors, access the learning system. In order to focus on their varied needs, the Ministry leads a learning system that continually adapts to learner circumstances. It allows learners to move easily between school and the workplace, between high school and post-secondary learning and among post-secondary institutions across the province.

Core Businesses

The Ministry supports Alberta's learning system through three core businesses.

1. **Basic learning**
   - Develop and evaluate curriculum and set standards
   - Develop learning and teaching resources
   - Certify teachers
   - Support students with special needs
   - Fund and support school authorities

2. **Apprenticeship and industry training**
   - Develop program standards with industry
   - Counsel apprentices and employers
   - Provide funding for approved programs
   - Certify individuals in designated trades and occupations

3. **Adult learning**
   - Fund post-secondary learning providers
   - Provide student financial assistance to Albertans
   - Coordinate and approve programs of study at public institutions
   - License and accredit programs offered by private providers
   - Fund, support and provide community adult learning opportunities
   - Provide information to and support for the adult learning system

Ministry Division Descriptions

Reflecting the core businesses, the Ministry of Learning is organized into core delivery divisions and integrating and supporting divisions. Each division provides specific expertise to the learning system. All divisions share responsibility for providing integrated service by partnering with one another, as well as with other Alberta ministries, school authorities, post-secondary institutions, adult learning providers, stakeholder organizations and industry. The Communications Branch represents the Ministry to the public.

Core Delivery Divisions

The three core delivery divisions – Basic Learning, Apprenticeship and Industry Training, and Adult Learning provide learning services and standards for the learning system. These divisions work closely to ensure program continuity and smooth transitions for learners.

Basic Learning Division works with the province's school authorities and early childhood services (ECS) operators to provide support for learning programs. This includes programs for preschool and school-age children that contribute to laying the foundation for lifelong learning for all Alberta's children. The division:

- develops curriculum, provincial standards and processes and learning resources in both English and French;
- provides a variety of services and educational leadership in support of students with special needs, teacher professional development and certification;
- provides "one-stop" provincial standards and program implementation services to meet the

unique needs of school authorities, key education stakeholders, and the public;
- supports Aboriginal education, Francophone education and programs for students with special needs; and
- coordinates initiatives such as the Alberta Children and Youth Initiative and the Alberta Initiative for School Improvement.

Phone: (780) 427-7484

Apprenticeship and Industry Training (AIT) Division works with industry, employer and employee organizations, technical training providers, government and ministry divisions to support the development, maintenance and delivery of designated trade and occupation programs. These programs:
- contribute to the development of a trained and skilled workforce, which supports the economic progress of the province and its competitive role in the global market;
- respond to current technological advancements and workplace needs; and
- support labour mobility through continued development of inter-provincial standards and certification programs.

AIT works with the Alberta Apprenticeship and Industry Training Board, industry and others to ensure:
- high school and adult apprentices receive on-the-job training, work experience and technical training to acquire skills in designated trades;
- standards are developed in consultation with industry for technical training and industry examinations;
- technical training for apprentices is scheduled;
- long-term training needs are identified;
- institutions offer training in response to industry needs;
- records of apprentice contracts and their progress in the program are maintained; and
- the workplace is monitored for compliance with the *Apprenticeship and Industry Training Act* and regulations.

Phone: (780) 427-4601

Adult Learning Division works with adult learners, public and private post-secondary institutions and community adult learning councils to support learners, provide learning opportunities and enhance the adult learning system. The division:
- provides funds to public institutions through operational and conditional funding;
- administers the delivery of federal and provincial student funding programs, providing information and issuing awards to students applying for loans, grants and bursaries;
- encourages and rewards excellence through scholarships and awards;
- approves programs and mandates for public post-secondary institutions;
- facilitates course and program transfer agreements within the post-secondary system;
- licenses vocational programs offered by private institutions and develops recommendations in response to requests from non-resident institutions seeking to offer degree programs in Alberta;
- approves degree programs offered by private institutions;
- provides learning opportunities through immigrant settlement, English as a Second Language, community adult learning and literacy programs;
- evaluates prior credentials of new Albertans for learning and employment opportunities;
- provides planning, coordination and policy support to adult learning providers;
- provides information on the adult learning system to the public.

Phone: (780) 427-5607

Integrating and Supporting Divisions
These divisions provide services that focus on ministry-wide operations and facilitate integration and accountability across all divisions and the learning system.

Corporate Services Division fosters system and fiscal accountability. The division:
- calculates and awards funding to all school authorities and analyzes financial reports submitted by school authorities;
- reviews funding support provided to school authorities to ensure a high percentage of dollars are directed to student learning;

- develops, produces and distributes learning resources;
- develops and implements the Ministry's human resource planning initiatives, policies and programs;
- develops budgets for the Ministry business plan, monitors budget compliance; and
- oversees Ministry administration, corporate records management, and financial and legal services.

Phone: (780) 427-2051

Information & Strategic Services (ISS) Division provides ministry-wide policy options and policy research, planning and consultation processes, information management and technology services as well as direction for effective use of technology throughout the learning system. The division:

- develops policy positions, options and responses, coordinates immigration and federal/provincial policy, conducts research, and integrates policy direction across the ministry;
- facilitates ministry planning and decision making with planning processes and products, consultation and coordination, facilitation and information;
- facilitates effective and integrated use of technology systems by the Ministry to support business plans;
- provides and supports information and technology systems of the Ministry;
- provides leadership and support for the implementation of evolving technologies in the learning system in conjunction with stakeholders;
- designs, develops and delivers print and electronic learning resources to support program delivery in the learning system;
- issues High School and Equivalency Diplomas and official transcripts of courses and marks; and
- collects, manages and provides learning system information required by the Ministry.

Phone: (780) 427-3663
E-mail: learning-systemwideplanning@learning.gov.ab.ca

System Improvement & Reporting (SIR) Division facilitates continuous improvement and ensures accountability throughout the Ministry and learning system. The division:

- leads the development of accountability frameworks, performance indicators, measures and targets;
- reports Ministry results;
- conducts applied research and program evaluations;
- identifies best practices for achieving continuous improvement;
- develops and administers provincial Achievement Tests and Diploma Examinations and provides individual, school, jurisdiction and provincial level results to support teaching and learning in the ECS to grade 12 education system;
- coordinates Alberta's participation in national and international assessments; and
- administers General Education Development tests to adult learners.

Phone: (780) 422-1608
E-mail: measurement.learning@gov.ab.ca

In addition:

Communications works with the Ministry and its stakeholders to provide communications support related to ministry work. The Branch:

- provides useful, timely and clear information to Albertans on achievements and initiatives in the learning system;
- supports the Ministry in reaching its goals by providing strategic communications advice, planning services, specialized writing and editing skills;
- facilitates effective communications among Ministry employees; and
- represents the Ministry to the public and the media.

Phone: (780) 427-2285
E-mail: comm.contact@gov.ab.ca

7. Results Analysis

Albertans highly value the benefits of education and this is reflected in the Government of Alberta's investment in learning. Education remains a provincial priority, with the Ministry of Learning working to turn each challenge into a success story and build on an already excellent learning system.

With over $4.8 billion invested in 2002/03, Government spending on the learning system again totalled almost a quarter of the provincial budget. From our financial statements you will see we have planned wisely to distribute funding across the system to meet learners' needs at all points along the path of lifelong learning.

Recognizing that funds are finite, the Ministry has managed those dollars to make the most of our investment. Through funding allocations to school authorities and post-secondary institutions, effective programs and initiatives, the investment in education delivered a high rate of return as Alberta's students reached high standards of achievement. Our students excelled in provincial and national assessments, and we saw improvement in high school completion rates.

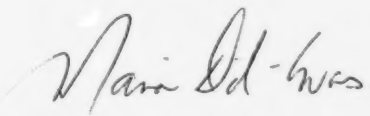
As more and more Albertans embrace learning at all stages of life, this is translating into personal and provincial success. We have a well-educated, well-trained workforce that supports a healthy lifestyle and an equally healthy economy.

From pre-school through to apprenticeship and post-secondary programs, the Ministry is contributing to the advancement of our learning system. In this report you will find an impressive summary of accomplishments, including innovative initiatives and work that reveals Alberta's leadership in the field of education. The strength of our system and achievement of our students not only is gratifying, it also is garnering national and international attention.

Sometimes it takes an outside eye to bring into focus the scope of what has been accomplished. Just this past year, Alberta Learning hosted delegations from Germany, Russia, Japan and South Korea that expressed interest in our organizational models, curriculum, special education programs, provincial testing programs, accountability mechanisms and how we integrate technology in our schools.

Certainly one of our assets is a spirit of collaboration. As such, it is important to note this report lists only a sample of the good work done to enhance learning in Alberta and does not begin to represent the efforts of our larger learning community. However, the results of Alberta's students and the Ministry's performance measures do reflect the contributions of our partners and stakeholders.

Overall, the Ministry and Alberta's learning system are maintaining high satisfaction levels and registering strong results. The access and quality of education, student achievement and post-secondary graduate employment levels, and Alberta Learning's working relationships are just a few of the important areas covered. While this year's results are quite positive, the Ministry will always strive to improve the learning experience and Alberta's learning system.



Maria David-Evans
Deputy Minister
Alberta Learning

AUDITOR GENERAL *Alberta*

REPORT OF THE AUDITOR GENERAL ON THE RESULTS OF APPLYING SPECIFIED AUDITING PROCEDURES TO PERFORMANCE INFORMATION

To the Members of the Legislative Assembly

In connection with the Ministry of Learning performance information included in the *2002-2003 Annual Report of the Ministry of Learning* as presented on pages 17 to 39, and pages 203 to 213 I have:

1. Agreed information from an external organization to reports from the organization, or where information is reported as not available, confirmed that the information is not available.

2. Agreed information from reports that originated from organizations included in the consolidated financial statements of the Ministry to source reports.

3. Checked that the presentation of results is consistent with the stated methodology.

4. Checked that the results presented are comparable to stated targets, and information presented in prior years.

5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2002.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the performance information included in the *2002-2003 Annual Report of the Ministry of Learning*.

Fred J. Dunn

FCA
Auditor General

Edmonton, Alberta
September 15, 2003

AUDITOR GENERAL *Alberta*

Ministry Performance
Goal 1 – High Quality Learning Opportunities

OUTCOMES

Responsiveness and flexibility:

- The learning system meets the needs of all learners, society and the economy.

Accessibility:

- All Albertans can participate in quality learning.

Affordability:

- Financial need is not a barrier to learners participating in learning opportunities.
- The learning system is affordable.

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

There are five Ministry core measures to assess and report on the goal of High Quality Learning Opportunities for Albertans. **Targets were met on all three core measures with targets.** Performance declined on one measure and remained unchanged on one. Below are the performance highlights for 2002/03 for this goal.

PERFORMANCE HIGHLIGHTS

Quality of Education and Training

✓ **Basic Education** – A majority of the public (67%) remains satisfied with the overall quality of basic education, an increase over the previous year. The target was met, as the result was within 5% of the target of 70%.

✓ **Post-Secondary Education** – A large majority (81%) of post-secondary graduates continues to be satisfied with the overall quality of their education, meeting the target of 80% - 85%.

✓ **Apprenticeship and Industry Training** – Very large percentages of recent apprenticeship graduates continue to be satisfied with their on-the-job training (93%) and with their technical training (95%), meeting the target of 90%+.

Accessibility

= **Access to Lifelong Learning** – A majority of the public (73%) continues to agree that adult learners have access to the education and training they want, an increase over the previous year. There was no target for 2002/03 for this measure.

OPPORTUNITIES FOR IMPROVEMENT

↓ **Affordability of the Learning System** – While a majority of the public (52%) agrees that the learning system is within the means of most Albertans, results continue to decline. Alberta Learning continues to enhance awareness of planning for post-secondary studies, including availability of financial assistance and the return on investment of education.

Quality of Basic Education

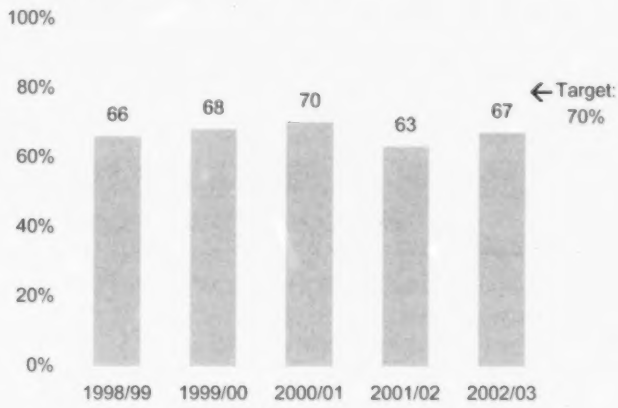
TARGET:

- The target was met, as the result was within 5% of the target.

DISCUSSION:

- Approximately two thirds of the public continues to be satisfied with the overall quality of basic education.
- The result in 2002/03 is consistent with the long-term trend, showing a recovery to previous levels of satisfaction.

Percentages of the Public Satisfied with Overall Quality of Basic Education



Source: Alberta Learning: The Advisory Group – 1999; Criterion Research Corp. – 2000, 2001; R.A. Malatest & Associates – 2002, 2003.

Note:

- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.

Quality of Apprenticeship Training

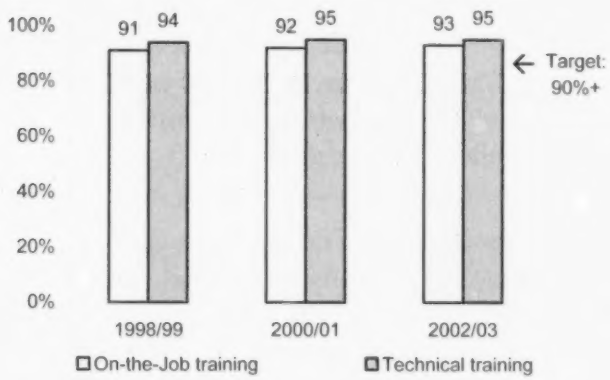
TARGET:

- The targets were met.

DISCUSSION:

- Very high percentages of recent apprenticeship graduates continue to be satisfied with the quality of their on-the-job training and their technical training.
- Results of the survey in 2002/03 indicated an increase to 93% in satisfaction with on-the-job training, while satisfaction with technical training remained the same at 95%.

Percentages of Apprenticeship Graduates Satisfied with their On-the-Job Training and Technical Training



Source: Alberta Learning: Nichols Applied Management – 1999 and 2003, R.A. Malatest & Associates – 2001.

Notes:

- Survey is conducted every other year. Graduates of apprenticeship programs in 1997/98, 1999/2000 and 2001/02 (based on the August 1 – July 31 year) were surveyed six to 18 months after graduation.
- In 2000/01 and 2002/03 only graduates who took technical training as part of their apprenticeship program are included in the results for satisfaction with technical training. The number of respondents to the technical training question was 2,821 in 2002/03 and 2567 in 2000/01 with a confidence interval of plus or minus 0.4% for both years. The confidence interval has been restated to reflect an adjustment for a finite population factor, which is more appropriate for the size of this population. It was not possible to separate these respondents from the total in the 1998/99 survey.
- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.

Quality of Post-Secondary Education

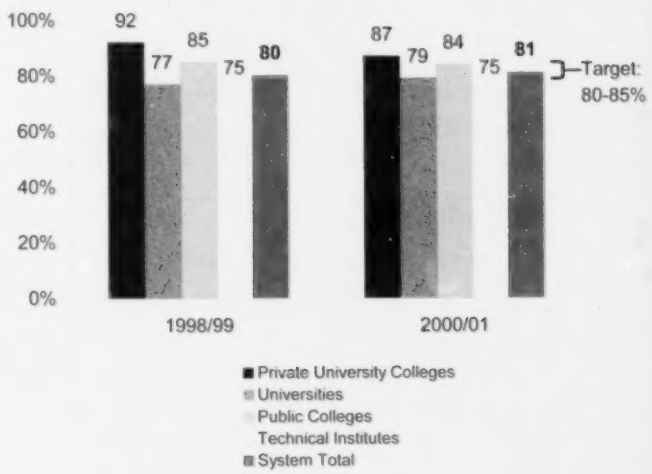
TARGET:

- The target was met.

DISCUSSION:

- A large majority of graduating post-secondary students (81%) continues to be satisfied with the overall quality of their post-secondary education.
- The satisfaction rate for the system overall has remained fairly stable since 1998/99.
- The satisfaction rate has shown the most change in the Universities and Private University College sectors. The satisfaction of university students increased from 77% to 79%, while the satisfaction rate of private university college students declined from 92% to 87%.
- Only 4% of the graduating students expressed some dissatisfaction with the overall quality of their education, and 15% were neutral.

Percentages of Post-Secondary Students Satisfied with the Overall Quality of Their Education



Source: Alberta Learning.

Notes:

- Graduating students of degree, diploma, certificate and academic upgrading programs are surveyed every other year.
- See Endnote C, Post-secondary Graduates' Satisfaction, page 209.

Access to Lifelong Learning

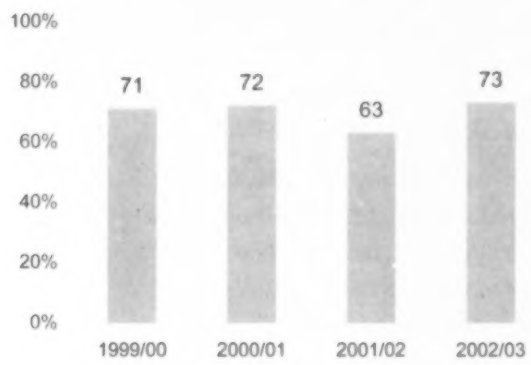
TARGET:

- No target was set for 2002/03 (measure under development in the 2002-2005 business plan).

DISCUSSION:

- A substantial majority of the public is satisfied that "most adults have access to the education and training they want".
- Satisfaction in 2002/03 has returned to levels of earlier years.
- Other information on the public/adult learner survey provides additional perspectives on Albertans' access to learning opportunities.
- The proportion of adults reporting participation in education or training has increased in recent years, from 32% in 1998/99 to 35% in 2002/03.
- For those not taking education or training in 2002/03, the most frequently cited reasons were "no need/not required by job" (cited by 25% of respondents) and "lack of time" (cited by 18% of respondents). In recent years, these have ranked consistently as the top two reasons given, and together have accounted for more than 40% of all responses each year (see table on page 21).

Public Satisfaction that Most Albertans have Access to Education and Training



Source: Alberta Learning: Criterion Research Corp. – 2000, 2001; R.A. Malatest & Associates – 2002, 2003.

Notes:

- This measure reports the weighted average result of questions asked of two components of the public: adult learners (those who reported taking education or training in the last 12 months) and adult Albertans who did not take education or training in the last 12 months. The wording of the question asked of adult learners was clarified in the 2002/03 survey. In previous years, adult learners were asked about their satisfaction that "**most adults** are able to access the education or training **they** want". In 2002/03, they were asked about their satisfaction that "**you** are able to access the education or training **you** want".
- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.

Affordability of the Learning System

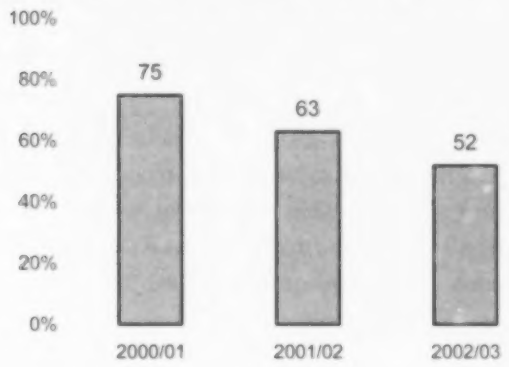
TARGET:

- No target was set for 2002/03.

DISCUSSION:

- A majority of the public continues to agree that the learning system is within the means of most Albertans, although agreement levels have declined since 2000/01.
- Government increased grant funding to the learning system by $235 million (5.4%) in 2002/03 over the previous year. Nevertheless, the decline in the level of agreement on the affordability measure may have been influenced by continuing attention to school board and post-secondary funding issues.
- Notwithstanding these results, the actual participation of adults in education or training (including training at work) has increased in recent years (see the discussion on the previous page).
- Of adults not taking any type of education or training in 2002/03 (65% of respondents), only 8% cited cost as the reason. In recent years, between 6% and 11% provided cost as the reason for not participating in learning, with "costs too much" ranking 4th to 6th among reasons given. (The table lists the main reasons for not taking education or training.)

Percentages of the Public who Agree that the Learning System is Within the Means of Most Albertans



Sources: Alberta Learning: Criterion Research Corp. – 2001; R.A Malatest & Associates –2002, 2003.

Notes:

- In the survey, the learning system is defined in the introduction to a series of questions. The two questions preceding this one start "Thinking about Alberta's learning system as a whole – that is, including elementary, junior and senior high schools, apprenticeship, and post-secondary institutions..." In the question for this measure, respondents are simply asked "Again – thinking about the learning system as a whole – would you strongly agree, agree, disagree or strongly disagree that Alberta's learning system is within the means of most Albertans."
- The sample size for this question was 1067 in 2000/01, with a confidence interval of plus or minus 3%.
- See Endnote A, pages 203-206, for other information on surveys conducted for Alberta Learning.

Primary reasons for not taking education or training (percentages and rank)

	1998/99	1999/00	2000/01	2001/02	2002/03
Lack of time	33.0% (1)	26.5% (1)	29.4% (1)	18.1% (2)	18.1% (2)
Not necessary	25.3% (2)	25.8% (2)	24.9% (2)	24.5% (1)	24.7% (1)
Age/retired	10.6% (3)	10.5% (3)	10.1% (3)	9.4% (5)	16.3% (4)
Not interested	8.0% (4)	7.8% (4)	--	--	--
Costs too much	5.9% (5)	7.1% (6)	8.4% (4)	11.3 (4)	8.0% (5)
Working/Self employed	--	--	--	--	17.5% (3)
Family obligations	--	7.5% (5)	6.9% (5)	12.3% (3)	--

Sources: Alberta Learning: Banister Research & Consulting Inc. – 1999; Criterion Research Corp. – 2000, 2001; R.A. Malatest & Associates – 2002, 2003.

Goal 2 – Excellence in Learner Achievement

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

OUTCOMES

- Learners demonstrate high standards.
- Learners complete programs.

There are six Ministry core measures, four of which have targets, for the goal of Excellence in Learner Achievement. **Targets were met for high school and apprenticeship completion, educational attainment of Albertans and for achievement tests overall at both the acceptable and excellence levels for writers and at the excellence level for all students.** The following are the 2002/03 performance highlights for this goal.

PERFORMANCE HIGHLIGHTS

Student Results

✓ **Grade 3, 6, 9 Achievement Tests** – In 2002/03, overall targets were met for students who wrote at both the acceptable and excellence levels. For all students in grade, the overall target for excellence was met.

↑ **Grade 3, 6, 9 Achievement Tests** – Overall results for students writing provincial achievement tests and for all students in grade have improved since 1998/99 at both the acceptable and excellence levels.

↑ **Grade 12 Diploma Examinations** – In the 2002/03 school year, students met or exceeded provincial expectations at the acceptable standard and at the standard of excellence in more diploma exams than in previous years.

Educational Attainment

✓ **High School Completion in the Basic Learning System** – The high school completion rate within five years of entering grade 10 rose to 74%, meeting the target of 72%.

✓ **Apprenticeship Completion** – The apprenticeship completion rates rose to 76%, meeting the target of 73%.

✓ **High School Completion of Albertans 25-34** – The high school completion rate of Albertans aged 25-34 remains high at 89%. The target of 90% was met as the result was within 5% of the target of 90%.

✓ **Post-Secondary Completion of Albertans 25-34** – Post-secondary completion of Alberta 25-34 year-olds has increased over time to 58%, meeting the target of 58%.

OPPORTUNITIES FOR IMPROVEMENT

✓ **High School Completion** – While the high school completion rate in the basic learning system has increased in recent years to 74%, and the percentage of Albertans aged 25-34 who have completed high school remains high, more students should complete high school in the Basic Learning system as reflected in a higher target of 75% set for 2004/05.

↓ **Completion Rates of Alberta Post-Secondary Students** – The completion rate of students in Alberta public post-secondary institutions declined in 2001/02 to 55% for university students and to 58% for college/technical institute students. No target has been set for this interim measure because information is not available to track students who transfer to a different post-secondary institution.

Achievement Test Results Overall

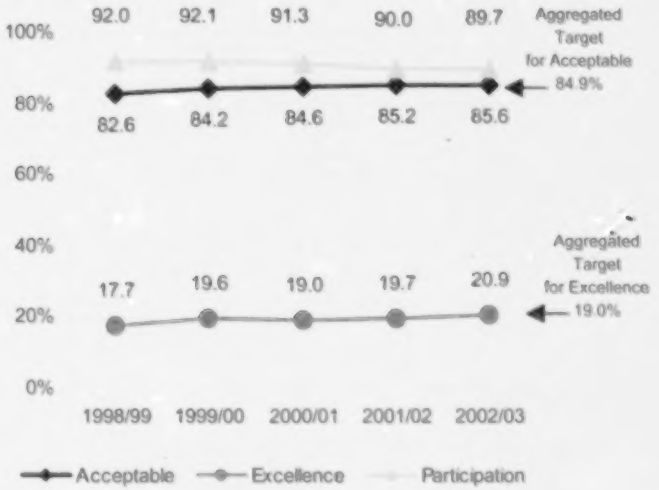
TARGETS:

- The aggregated targets for overall results were met for students who wrote provincial achievement tests in the 2002/03 school year (top graph).
- For the total enrolment in grades 3, 6 and 9 in the 2002/03 school year, the aggregated target for overall results at the standard of excellence was met, while the aggregated target at the acceptable standard was not met (second graph on page).

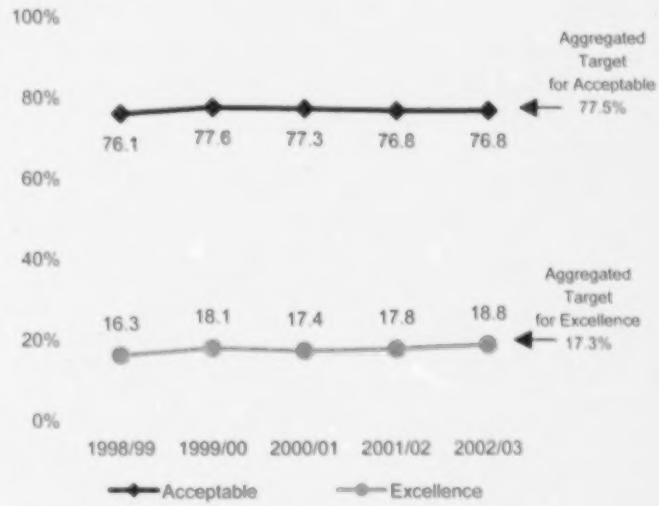
DISCUSSION:

- Overall results both for writers and total enrolment at both the acceptable standard and the standard of excellence have improved over time. As well, results have improved overall since the 2001/02 school year except for all students at the acceptable level, which remained the same.
- Of the students who wrote provincial achievement tests, the percentages of students who achieved standards overall increased to 85.6% at the acceptable standard and to 20.9% at the standard of excellence (top graph).
- The participation rate in achievement tests declined slightly to 89.7% in 2002/03 (top graph).
- The increases in percentages of writers achieving standards tend to be related to decreases in participation rates (except for 1999/2000).
- For overall results calculated on the basis of total enrolment in grade (second graph), the percentages meeting the acceptable standard have remained stable over time, while the percentages meeting the standard of excellence have increased over time.

Provincial Combined (All Grades and Subjects) Participation Rates and Percentages of Students Who Wrote and Met Standards on Provincial Achievement Tests



Provincial Combined (All Grades and Subjects) Percentages of Students Who Demonstrated Standards on Provincial Achievement Tests (total enrolment in grade)



Source: Alberta Learning

Notes:

- The percentages of students achieving the acceptable standard include the students achieving the standard of excellence.
- Aggregated targets are the averages of the targets for each subject and grade for the acceptable standard and the standard of excellence for both methods of calculating results.
- The aggregated data does not include Science 9 Form B. Since 2002/03 was the first year to administer the test, no target was set for this year.
- See Endnote C, Provincial Achievement Tests, page 209.

Achievement Test Results for Test Writers

TARGETS:

- In the 2002/03 school year, students who wrote provincial achievement tests met or exceeded the targets for the acceptable standard in all tests except for grade 9 Language Arts and Mathematics.
- Students who wrote met or exceeded the targets for the standard of excellence in all tests except for Language Arts 3 and Science 6.

DISCUSSION:

- Student performance has improved on all ten tests since 1998/99, and improved in most tests since last year.
- Student performance at the standard of excellence improved in eight of the ten tests, while declining on two tests.
- There were improvements in performance of students in two of the three language arts tests at both the acceptable standard and the standard of excellence.
- There have been steady improvements at the acceptable level in Social Studies 6, and Science 9 (Form A) over the reporting period.

Percentages of Students in Grades 3, 6 and 9 Who Wrote and Achieved the Standards on Provincial Achievement Tests

Subject	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003	Targets 2002/ 2003
Grade 3						
Language Arts						
excellence	15.8	19.3	17.4	16.4	17.2	18%
acceptable	88.7	90.7	89.4	89.6	90.1	90%
Mathematics						
excellence	25.2	27.5	25.4	29.2	32.4	26%
acceptable	84.8	87.9	87.6	88.7	89.3	89%
Grade 6						
Language Arts						
excellence	17.4	20.9	16.2	16.5	19.0	17%
acceptable	84.4	86.3	85.4	88.6	89.2	85%
Mathematics						
excellence	17.2	17.6	19.3	19.7	19.3	18%
acceptable	83.2	84.2	85.4	85.2	85.6	85%
Science						
excellence	24.1	26.5	27.2	24.6	26.5	27%
acceptable	84.4	84.9	88.0	86.7	87.9	88%
Social Studies						
excellence	17.3	21.2	20.2	21.3	22.3	20%
acceptable	81.9	84.1	84.7	85.9	86.4	85%
Grade 9						
Language Arts						
excellence	12.1	15.1	14.9	16.7	15.4	15%
acceptable	87.6	89.5	89.2	89.8	89.2	90%
Mathematics						
excellence	15.5	16.1	18.4	19.1	20.1	17%
acceptable	72.4	74.4	75.2	73.7	72.6	77%
Science (Form A)						
excellence	14.8	13.9	13.3	12.8	15.1	14%
acceptable	78.5	79.4	79.9	80.7	82.8	79%
Science (Form B)						
excellence	--	--	--	--	12.6	--
acceptable	--	--	--	--	75.7	--
Social Studies						
excellence	17.7	17.8	17.9	20.3	21.3	18%
acceptable	80.5	80.9	81.5	83.2	82.8	81%

Source: Alberta Learning.

Notes:

- The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- The 2002/03 school year was the first year for administration of Science 9 Form B, which reflects the learning expectations as stated in the 2002 Program of Studies.

Participation Rates for Provincial Achievement Tests

Subject	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003
Grade 3					
Language Arts	94.1	93.0	92.6	90.6	91.5
Mathematics	94.6	93.4	93.4	91.6	92.1
Grade 6					
Language Arts	93.1	93.0	92.1	91.2	91.0
Mathematics	93.1	93.7	92.9	91.8	91.4
Science	93.3	93.1	93.1	91.6	91.0
Social Studies	93.1	93.6	92.8	91.2	91.4
Grade 9					
Language Arts	89.7	89.6	88.3	87.5	87.4
Mathematics	88.9	89.9	88.4	87.5	87.4
Science (Form A)	90.2	90.7	89.7	88.7	85.9
Science (Form B)	--	--	--	--	90.5
Social Studies	90.3	90.7	89.3	88.7	87.7

Source: Alberta Learning.

Note:

- See Endnote C, Provincial Achievement Tests, page 209.

Achievement Test Results for All Students in Grade

TARGETS:

- In the 2002/03 school year, results for all students in grade met or exceeded targets for the standard of excellence in all tests except for Language Arts 3 and Science 6.
- Results for all students in grade met or exceeded targets for the acceptable standard in five of ten tests.

DISCUSSION:

- Student performance at the acceptable level improved in six of the ten tests since 1998/99, while declining in three tests. Since last year, results have improved on five of the ten tests.
- Student performance at the standard of excellence has improved in all but one of the ten tests, while remaining stable in grade 9 science.
- Since last year, student performance at the excellence level improved on eight of the ten tests and declined on two tests.
- The percentages of students who achieve the acceptable standard in the grade 9 language arts and mathematics achievement tests are reported annually by the provincial government as indicators of literacy and numeracy, as adult literacy surveys are not conducted regularly. Students who achieved the acceptable standard have developed the foundation skills needed to become literate and numerate adults.

Percentages of Students in Grades 3, 6 and 9 Demonstrating the Standards on Provincial Achievement Tests

Subject	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003	Targets 2002/ 2003
Grade 3						
Language Arts						
excellence	14.9	17.9	16.1	14.9	15.7	17%
acceptable	83.5	84.3	82.8	81.2	82.4	83%
Mathematics						
excellence	23.8	25.7	23.8	26.7	29.8	24%
acceptable	80.2	82.1	81.8	81.2	82.3	82%
Grade 6						
Language Arts						
excellence	16.2	19.4	14.9	15.1	17.3	16%
acceptable	78.6	80.3	78.7	80.8	81.2	79%
Mathematics						
excellence	16.0	16.5	17.9	18.1	17.7	17%
acceptable	77.5	78.9	79.3	78.3	78.3	78%
Science						
excellence	22.5	24.7	25.3	22.6	24.1	25%
acceptable	78.8	79.0	82.0	79.5	80.0	80%
Social Studies						
excellence	16.1	19.9	18.7	19.4	20.3	18%
acceptable	76.2	78.7	78.6	78.3	79.0	78%
Grade 9						
Language Arts						
excellence	10.8	13.6	13.1	14.6	13.5	13%
acceptable	78.5	80.1	78.8	78.5	78.0	80%
Mathematics						
excellence	13.8	14.4	16.3	16.7	17.6	15%
acceptable	64.4	66.9	66.5	64.5	63.5	70%
Science (Form A)						
excellence	13.3	12.6	11.9	11.4	13.0	12%
acceptable	70.8	72.0	71.7	71.6	71.1	72%
Science (Form B)						
excellence	--	--	--	--	11.4	--
acceptable	--	--	--	--	68.5	--
Social Studies						
excellence	16.0	16.2	16.0	18.0	18.7	16%
acceptable	72.7	73.4	72.8	73.8	72.6	73%

Source: Alberta Learning.

Notes:

- The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- The 2002/03 school year was the first year for administration of Science 9 Form B, which reflects the learning expectations as stated in the 2002 Program of Studies.
- See Endnote C, Provincial Achievement Tests, page 209.

Diploma Examination Results

TARGET:

- No targets were set for 2002/03 as the diploma examinations are not comparable from year to year.

DISCUSSION:

- In the 2002/03 school year, provincial expectations were achieved for more diploma examinations than in prior years.
- Students met or exceeded provincial expectations at the acceptable level in eight exams and also met or exceeded expectations at the excellence level in eight exams.
- The acceptable standard was met or exceeded in all exams except Social Studies 33, Biology 30 and Physics 30. The standard of excellence was met or exceeded in all exams except English 33, Social Studies 33 and Applied Math 30.
- Completing either English 30 or 33 and either Social Studies 30 or 33 is required for high school graduation. In the 2002/03 school year, the percentage of students in their third year completing one of the Social Studies courses increased over the previous year from 84% to 86%, while the percentage completing one of the English courses remained stable at 84%.
- Larger percentages of students completed English 30, Social Studies 30, Pure Mathematics 30, Biology 30, Chemistry 30, and Physics 30 in the 2002/03 school year than in 2001/02, while a lower percentage completed English 33 and participation in Social Studies 33 remained the same.
- Equating of diploma exams, which enables comparison over time, will be implemented starting in 2003/04 with Social Studies 30 and 33.

Percentages of Students Writing Diploma Examinations who Achieved Standards

Course	Standard	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003
English 30	excellence	13	16	19	19	24
	acceptable	86	89	89	88	92
English 33	excellence	9	8	8	7	7
	acceptable	86	88	87	87	85
French Language Arts 30	excellence	--	--	--	--	15
	acceptable	--	--	--	--	95
Social Studies 30	excellence	18	16	19	21	22
	acceptable	85	84	85	86	87
Social Studies 33	excellence	11	13	13	12	13
	acceptable	83	81	81	81	82
Pure Mathematics 30	excellence	--	--	20	28	27
	acceptable	--	--	77	82	85
Applied Mathematics 30	excellence	--	--	--	--	14
	acceptable	--	--	--	--	85
Biology 30	excellence	26	23	27	26	22
	acceptable	83	81	81	84	81
Chemistry 30	excellence	19	24	22	24	25
	acceptable	82	84	79	82	85
Physics 30	excellence	32	28	24	33	25
	acceptable	87	83	79	84	82
Science 30	excellence	17	11	14	12	20
	acceptable	88	78	83	82	88

Source: Alberta Learning.

Notes:

- 85% of students are expected to achieve the acceptable standard and 15% are expected to achieve the standard of excellence.
- The percentages of students achieving the acceptable standard include the percentages of students achieving the standard of excellence.
- Starting in 2002/03, Part A (Written Response) and Part B (Multiple Choice) are administered in a separate sitting for Social Studies 30 and 33 exams.

Percentages of Students Completing Diploma Examination Courses in Their Third Year of High School (participation)

Subject	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003
English 30	53	55	55	57	58
English 33	28	29	28	27	26
French Language Arts 30	-	-	-	-	3
Social Studies 30	47	49	49	51	53
Social Studies 33	33	35	34	33	33
Pure Math 30	-	-	33	42	44
Applied Math 30	-	-	-	-	22
Biology 30	32	38	39	41	43
Chemistry 30	33	36	35	36	38
Physics 30	21	22	22	23	24
Science 30	5	6	7	7	7

Source: Alberta Learning.

Notes:

- Students can choose among courses to complete high school and meet post-secon requirements; only part of the grade 12 class writes each diploma exam.
- Prior years results have been restated, reflecting the outcome of the correction and appeal processes.
- Results for 2002/03 will go through the correction and appeal processes starting in 2003/04 and will be restated in future years.
- See Endnote C, Diploma Examinations, page 210.

High School Completion

TARGET:

- The target was met.

DISCUSSION:

- The high school completion rate within five years of entering grade 10 has increased 1% each year since 1999/00, reaching 74% in the 2001/02 school year (the most recent year completion rates are available).
- The three-year high school completion rate has remained stable at 65% for the last three years (1999/2000 to 2001/02).
- Of the students who complete in five years, most (over 85%) do so in three years. This makes the three-year rate a reliable predictor of the five-year rate in future years. Projections indicate the five-year rate will rise to 75% by 2003/04.
- Substantial portions of students who do not complete high school in the basic learning system attain high school completion status as adults (see Educational Attainment measure, page 30).

Percentages of Students Completing High School Within 3 and 5 Years of Entering Grade 10

Source: Alberta Learning.

Notes:

- Projections indicate results likely to be achieved given the three-year completion rates for these groups of grade 10 students and completion rates in prior years. The projection for 2003/04 also considers the projected 5-year rate for 2002/03.
- See Endnote C, High School Completion Rate, page 211.

High School Completion

TARGET:

- The target was met.

DISCUSSION:

- The high school completion rate within five years of entering grade 10 has increased 1% each year since 1999/00, reaching 74% in the 2001/02 school year (the most recent year completion rates are available).
- The three-year high school completion rate has remained stable at 65% for the last three years (1999/2000 to 2001/02).
- Of the students who complete in five years, most (over 85%) do so in three years. This makes the three-year rate a reliable predictor of the five-year rate in future years. Projections indicate the five-year rate will rise to 75% by 2003/04.
- Substantial portions of students who do not complete high school in the basic learning system attain high school completion status as adults (see Educational Attainment measure, page 30).

Percentages of Students Completing High School Within 3 and 5 Years of Entering Grade 10

Source: Alberta Learning.

Notes:

- Projections indicate results likely to be achieved given the three-year completion rates for these groups of grade 10 students and completion rates in prior years. The projection for 2003/04 also considers the projected 5-year rate for 2002/03.
- See Endnote C, High School Completion Rate, page 211.

Apprenticeship Completion

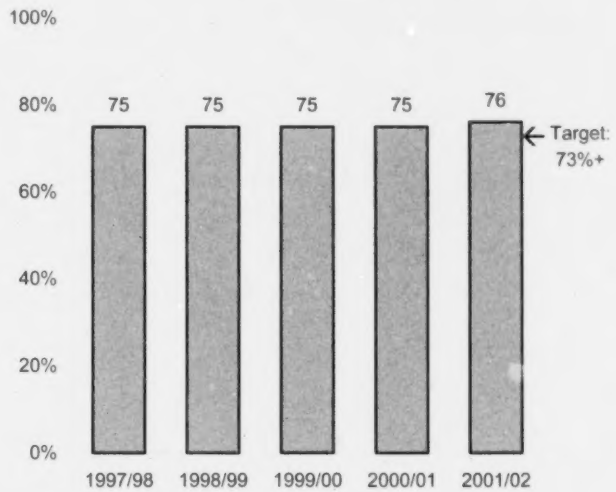
TARGET:

- The target was met.

DISCUSSION:

- In 2001/02, a substantial majority of apprentices (76%) received their journeyman certificates for completion of an apprenticeship program within two years of expected completion (i.e., apprentices were tracked for two years past the normal program length to determine the completion rate).
- Completion rates have increased slightly to 76% in 2001/02 after remaining stable at 75% for several years.

Apprenticeship Completion Rate (new)



Source: Alberta Learning.

Notes:

- Includes apprentices who have completed all the requirements of their first period of apprenticeship training. Excludes programs of less than two years in length.
- Based on July 1 to June 30 for all years of data provided.
- See Endnote C, Apprenticeship Completion Rate, page 211.
- See Endnote B, pages 207-208, for information on assessment of results over time.

Post-Secondary Completion

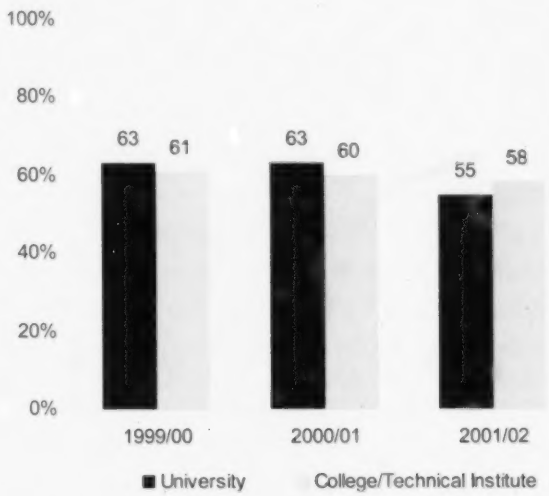
TARGET:

- No target set (measure under development in the 2002-2005 Business Plan)

DISCUSSION:

- The post-secondary completion rate is an interim measure and aggregates the institutional completion rates for universities and for colleges and technical institutes. To determine completion, post-secondary students were tracked for three years beyond the length of the program.
- Results indicate a decline in 2001/02 in the percentages of university students who graduated from the institution where they started. There has been a slight decline each year in the percentages of college and technical institute students who completed programs in their starting institution.
- The declines in completion rates in recent years may be due to Alberta's improved economic conditions through the mid - 1990's as students may have transferred to another institution to gain marketable skills more quickly or may have entered the labour force before completing their credential.
- System-wide completion rates may not be adequately represented because information is not available to account for the completion of students who start at one post-secondary institution then complete at another one.
- A system-wide indicator of post-secondary completion is under development that will include completion of students who transfer among Alberta post-secondary institutions once the Alberta Student Number is fully implemented for post-secondary students.

Interim Post-Secondary Completion Rate (new)



Source: Alberta Learning

Notes:

- Alberta College of Art & Design's programs are included in the University Sector as these programs are four-year undergraduate degree programs.
- The university sector completion rate is based on undergraduate programs tracked for seven years; therefore, the 1999/00 rate for universities is based on the 1993/94 entry cohort, the 2000/01 rate is based on the 1994/95 entry cohort and 2001/02 data is based on the 1995/96 entry cohort.
- The completion rates for the college and technical institute sectors is based on tracking first-time students for the program length plus three years, i. e., tracking for four years for a certificate program and five years for a diploma program.
- See Endnote C, Interim Post-Secondary Completion Rate, page 212.
- See Endnote B, pages 207-208, for information on assessment of results over time.

Educational Attainment

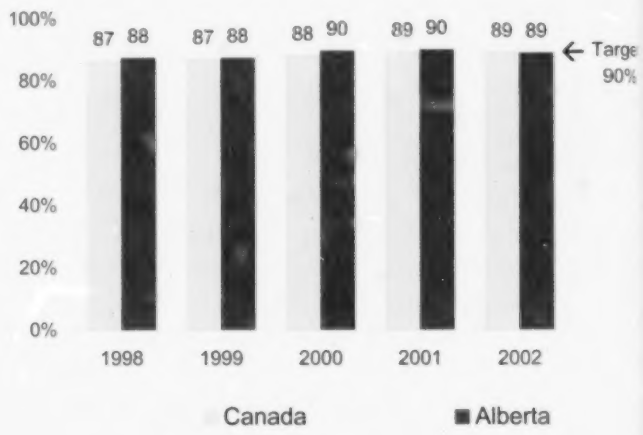
TARGET:

- The targets were met (the result for high school completion is within 5% of the target).

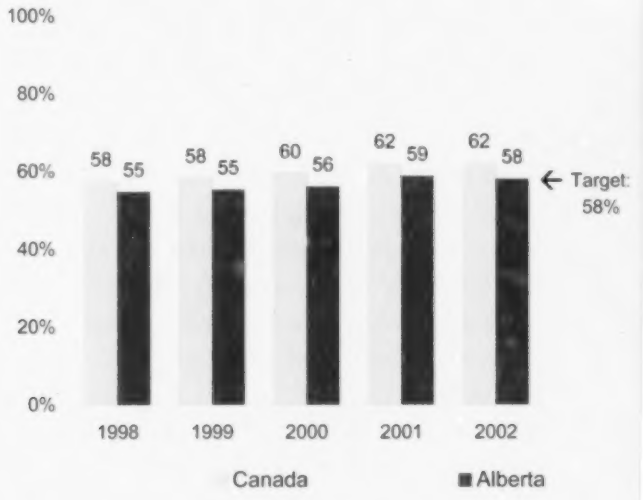
DISCUSSION:

- The percentage of Albertans aged 25-34 with at least high school completion remains stable on a year-to-year basis.
- Alberta's results for high school completion continue to be high and similar to the national average.
- The post-secondary completion rate of Albertans aged 25-34 is not significantly different from the prior year, and has increased since 1999. It remains below the Canadian average.

Percentages of Albertans aged 25-34 who Completed High School



Percentages of Albertans aged 25-34 who Completed Post-Secondary Programs



Source: Statistics Canada Labour Force Survey, Special tabulation for Alberta Learning.

Notes:

- Since respondents were asked about their highest level of education, those who indicated they have participated in or completed post-secondary studies are considered to have completed high school.
- See Endnote A, pages 203-206 on the use of confidence intervals for survey measures to interpret results.
- See Endnote C, Educational Attainment, page 212.

Goal 3 – Well Prepared Learners for Lifelong Learning, the World of Work and Citizenship

OUTCOMES

Learners are well prepared for lifelong learning:

- Children start school ready to learn.
- Albertans are able to learn continuously: in school, at work and in society.

Learners are well prepared for employment:

- Learners are successful in finding/maintaining work.
- Employers are satisfied with knowledge, skills and attitudes of employees.

Learners are well prepared for citizenship

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

There are four Ministry core measures, three of which have targets, to assess progress on the goal of Well Prepared Learners for Lifelong Learning, the World of Work and Citizenship. **Targets were met on the three measures with targets, and results improved on the proxy measure for readiness to learn.** The following are the 2002/03 performance highlights for this goal.

PERFORMANCE HIGHLIGHTS

↑ **Preparation of Children for School** – The percentage of grade 1 students who participated in Early Childhood Services increased slightly to 96% in 2002/03. There is no target for this proxy measure of readiness to learn.

✓ **Employment of Post-Secondary Graduates** – The employment rate of post-secondary graduates has remained very high, over 93%, and met the target of 90%+.

✓ **Preparation for Citizenship** – Public satisfaction that high school students are well prepared for citizenship (59%) has increased substantially since 1999/2000, exceeding the target of 48%.

✓ **Preparation for Citizenship** – Public satisfaction that adult learners are well prepared for citizenship (69%) has increased since 1999/2000. The target of 67% was met.

OPPORTUNITIES FOR IMPROVEMENT

= **Preparation for Lifelong Learning** – A substantial majority of the public (72%) remains satisfied that adult learners are prepared for lifelong learning. The target of 77% was not met. More effort is needed to communicate with Albertans about the opportunities and benefits of lifelong learning.

✓ **Preparation for Citizenship** – Although public satisfaction that learners are prepared for citizenship has increased, higher satisfaction levels are desirable. Higher targets for both high school students and adult learners have been set for 2003/04.

Preparation of Children for School

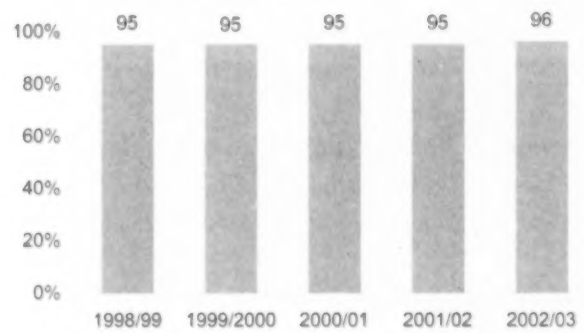
TARGET:

- No target was set for this proxy measure of readiness to learn.

DISCUSSION:

- The percentage of students who participated in Early Childhood Services (ECS) programs prior to grade 1 increased slightly to 96% in 2002/03.
- A very large majority of parents choose to enroll their children in ECS programs even though ECS attendance is not mandatory.
- ECS programming is designed to prepare children for entry into grade 1 and to provide a foundation for continued success in school.

Percentages of Grade 1 Students who Attended Early Childhood Services Programs



Source: Alberta Learning.

Notes:

- Includes children enrolled in Early Childhood Services or ungraded programs prior to grade 1.
- See Endnote C, Participation in Early Childhood Services Programs, page 213.
- See Endnote B, pages 207-208, for information on assessment of results over time.

Preparation for Lifelong Learning

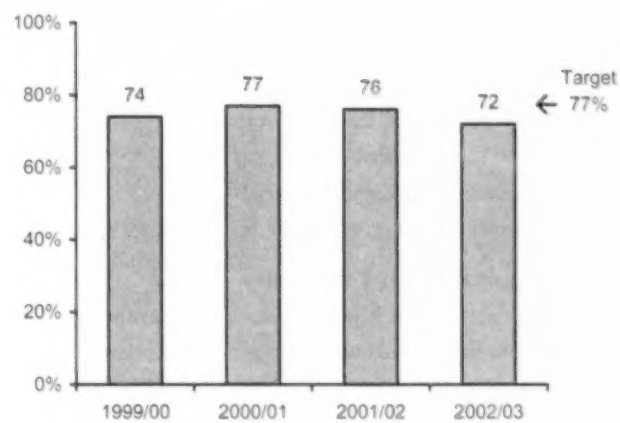
TARGET:

- The target was not met.

DISCUSSION:

- A substantial majority (72%) of the public continues to be satisfied that adult learners are prepared for lifelong learning.
- While the satisfaction level in 2002/03 is slightly lower than the previous two years, it is not significantly different from the result in 1999/2000.

Public Satisfaction that Adult Learners are Prepared for Lifelong Learning



Sources: Alberta Learning: Criterion Research Corp. – 2000, 2001,
R.A. Malatest & Associates – 2002, 2003.

Notes:

- The question for this measure was modified slightly in 2002/03 to include a definition of lifelong learning. In prior years, respondents were asked about their satisfaction that "adults taking education or training are being taught an appropriate combination of skills to prepare them for lifelong learning." In 2002/03, "lifelong learning" was replaced with "learning throughout their lifetime."
- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.
- See Endnote B, pages 207-208, for information on assessment of results over time.

Employment of Post-Secondary Graduates

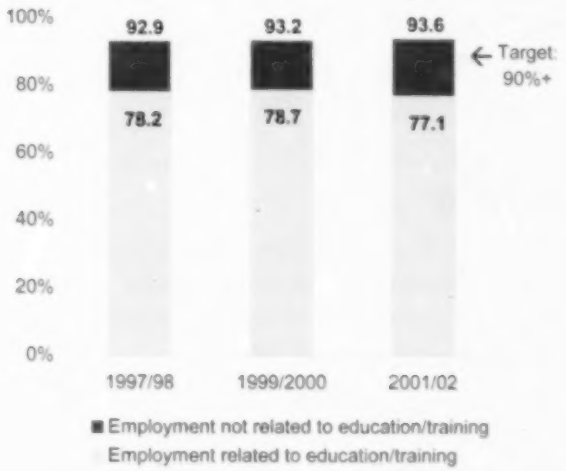
TARGET:

- The target was met.

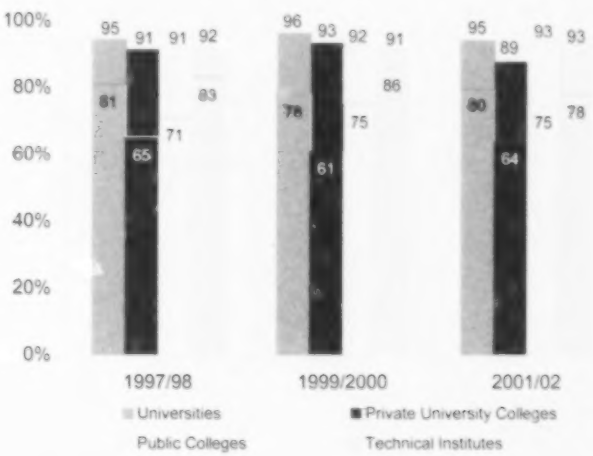
DISCUSSION:

- The overall employment rate of post-secondary graduates, i.e., the percentage of graduates in the labour force who are employed, has remained high.
- This result reflects continued strong performance across the public post-secondary sectors.
- More than three out of four graduates in the labour force (77.1%) continue to report working in jobs related to their education.
- The proportion of graduates employed in related work has been consistent from year to year in all sectors except for a decline in technical institutes to 78% in 2001/02, which also accounts for the slight overall decline in related employment.
- An additional 13% of graduates in 2001/02 reported not participating in the labour force compared to 11% in 1999/2000. These graduates (not included in the graphs) may be pursuing further studies or may not be participating for personal reasons.

Employment Rates of Post-Secondary Graduates Overall and in Jobs Related to their Studies (System Total)



Employment Rates of Post-Secondary Graduates Overall and in Jobs Related to their Studies (by Sector)



Source: Alberta Learning.

Notes:

- The 2001/02 results include 1999/00 university and private university college graduates surveyed two years later and 2000/01 public college and technical institute graduates surveyed within one year.
- The 1999/2000 results include 1997/98 university and private university college graduates surveyed two years later, and 1998/99 public college and technical institute graduates surveyed within one year.
- 1997/98 results include 1994/95 university graduates surveyed two years later, and 1995/96 private university college and 1996/97 public college and technical institute graduates surveyed within one year.
- The lower portion of each column represents the percentages of graduates in the labour force who are employed in jobs related to their education.
- See Endnote C, Employment Rate of Post-Secondary Graduates, page 213.
- See Endnote B, pages 207-208, for information on assessment of results over time.

Employment of Post-Secondary Graduates

TARGET:

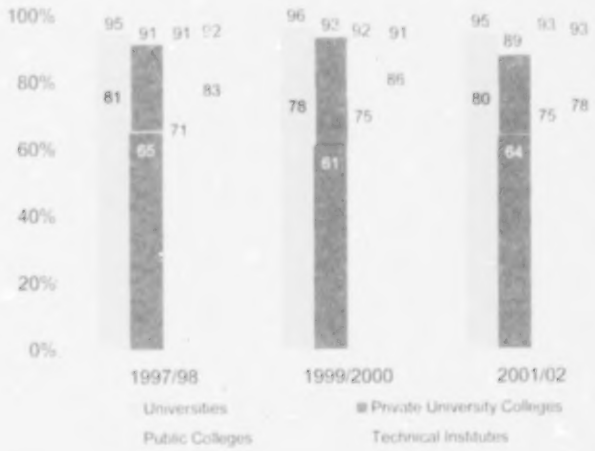
- The target was met.

DISCUSSION:

- The overall employment rate of post-secondary graduates, i.e., the percentage of graduates in the labour force who are employed, has remained high.
- This result reflects continued strong performance across the public post-secondary sectors.
- More than three out of four graduates in the labour force (77.1%) continue to report working in jobs related to their education.
- The proportion of graduates employed in related work has been consistent from year to year in all sectors except for a decline in technical institutes to 78% in 2001/02, which also accounts for the slight overall decline in related employment.
- An additional 13% of graduates in 2001/02 reported not participating in the labour force compared to 11% in 1999/2000. These graduates (not included in the graphs) may be pursuing further studies or may not be participating for personal reasons.

Employment Rates of Post-Secondary Graduates Overall and in Jobs Related to their Studies (System Total)

Employment Rates of Post-Secondary Graduates Overall and in Jobs Related to their Studies (by Sector)



Source: Alberta Learning

Notes:

- The 2001/02 results include 1999/00 university and private university college graduates surveyed two years later and 2000/01 public college and technical institute graduates surveyed within one year.
- The 1999/2000 results include 1997/98 university and private university college graduates surveyed two years later, and 1998/99 public college and technical institute graduates surveyed within one year.
- 1997/98 results include 1995/96 university graduates surveyed two years later, and 1996/97 private university college and 1996/97 public college and technical institute graduates surveyed within one year.
- The lower portion of each column represents the percentages of graduates in the labour force who are employed in jobs related to their education.
- See Endnote C, Employment Rate of Post-Secondary Graduates, page 213.
- See Endnote B, pages 207-208, for information on assessment of results over time.

Preparation for Citizenship

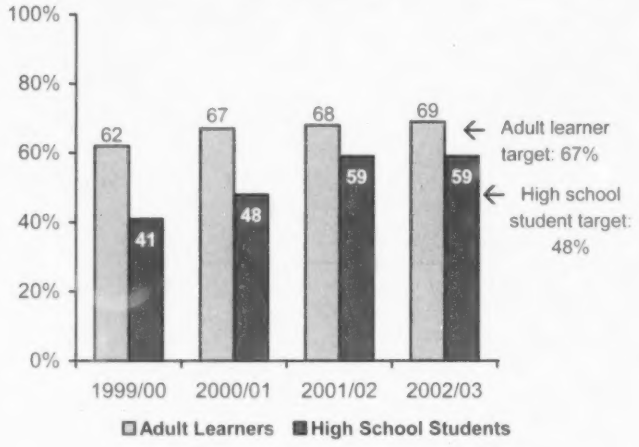
TARGET:

- The target for high school students was exceeded.
- The target for adult learners was met.

DISCUSSION:

- Public satisfaction that high school students are well prepared for citizenship remains the same as last year, following significant increases in 2000/01 and 2001/02.
- Public satisfaction that adult learners are well prepared for citizenship has remained constant for three years, following an increase in 2000/01.

Public Satisfaction that Learners are Well Prepared for Citizenship



Sources: Alberta Learning: Criterion Research Corp. – 2000, 2001; R.A. Malatest & Associates – 2002, 2003.

Notes:

- The questions were clarified in the 2001/02 survey as a result of field testing. The new questions asked the public to indicate how satisfied they are that recent high school graduates are well prepared for citizenship, and how satisfied they are that adults taking education or training are well prepared for citizenship.
- In prior years, the public was asked to indicate if they agreed that high school graduates in Alberta were being taught the rights and responsibilities of citizenship, and if they agreed that adult learners are getting an appropriate combination of skills and knowledge to prepare them for the rights and responsibilities of citizenship.
- See Endnote A, pages 203-206, for other information on surveys conducted for Alberta Learning.

Goal 4 – Effective Working Relationships with Partners

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

OUTCOMES

- Effective working relationships meet the learning needs of Albertans.
- Joint initiatives contribute to the achievement of the social and economic goals of the province.

There is one Ministry core measure with three targets to assess the goal of Effective Working Relationships with Partners. **Targets were met on all three components of this measure.** The following are the 2002/03 performance highlights for this goal.

PERFORMANCE HIGHLIGHTS

Working Relationships with Alberta Learning

✓ **Collaboration** – A large percentage (83%) of cross-ministry partners and learning system stakeholders continue to agree that Alberta Learning staff are collaborative. The target of 80% was met.

✓ **Responsiveness** – A high percentage (89%) of these partners and stakeholders agrees that Alberta Learning staff are responsive. Results have increased over time, and the target of 85% was met.

✓ **Flexibility** – A large majority of partners and stakeholders (81%) agrees that Alberta Learning staff are flexible, meeting the target of 70%. Results have improved over time.

Working Relationships with Alberta Learning

TARGET:

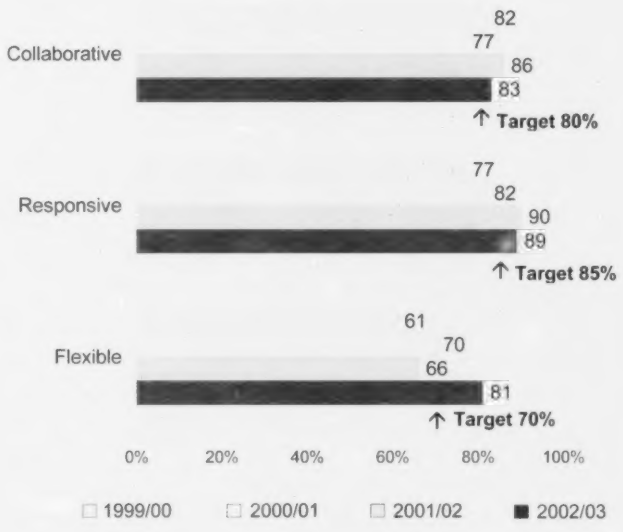
- The targets were met.

DISCUSSION:

- In 2002/03, a large majority of partners and stakeholders agreed that Alberta Learning staff are collaborative (83%), responsive (89%) and flexible (81%).
- Since 1999/2000, results have improved overall for responsiveness and flexibility, and remained about the same for collaboration.
- Results are highest for staff responsiveness for the third year in a row.
- There is greater variability in results from year to year with this measure than other survey measures because of the small sample size.

Note: This measure has been modified in the 2003/06 Business Plan by combining responsiveness and flexibility. This change will be reflected in the Annual Report for 2003/04.

Percentages of Partners and Stakeholders who Agree that Alberta Learning Staff are Flexible, Responsive and Collaborative



Source: Alberta Learning: Hargroup Management Consultants – 2000, 2001, 2002, 2003.

Notes:

- The survey scale was changed in 2002/03 from a 5-point scale including a neutral midpoint, used in prior years, to a 4-point scale with no neutral midpoint (i.e., strongly agree, agree, disagree, strongly disagree). Overall, this had the effect of increasing both the strongly agree/agree and the disagree/strongly disagree responses, compared to results for previous years. In years prior to 2002/03, the question on flexibility had substantially more neutral responses than the questions on responsiveness or collaboration. Consequently, removing the neutral response category had a larger effect on results for flexibility than for responsiveness and collaboration.
- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.

Goal 5 – Highly Responsive and Responsible Ministry

OUTCOME

The Ministry demonstrates:

- Leadership and continuous improvement in administrative and business processes and practices.

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

There are two core measures used in 2002/03 to assess and report on the goal of a Highly Responsive and Responsible Ministry. There were no targets for 2002/03 for the core measures. The following are the performance highlights for this goal.

PERFORMANCE HIGHLIGHTS

↑ **Organizational Effectiveness** – A substantial majority of Alberta Learning staff (78%) continues to agree that the organization provides expected outcomes for their work. There was no target for this new measure.

OPPORTUNITIES FOR IMPROVEMENT

↓ **Staff Development** – A substantial majority of Alberta Learning staff (75%) continues to agree that the organization provides the support needed for staff to acquire or develop knowledge and skills in their current job. Although results were lower in 2002/03 than in earlier years, results partially recovered over 2001/02 and have been higher than results of the Alberta Public Service for four of the past five years. There was no target for this new measure.

Knowledge and Skill Development Opportunities for Staff

TARGET:

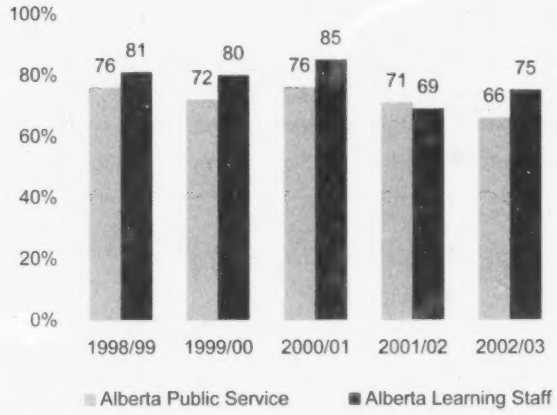
- No target was set for this new measure (under development in the 2002-2005 business plan).

DISCUSSION:

- Three out of four Alberta Learning employees surveyed agreed in 2002/03 that the Ministry provides the support needed for staff to acquire or develop knowledge and skills in their current job.
- Ministry results are significantly higher than results for all Alberta public service employees in each year except 2001/02.
- Ministry results have made a partial recovery in 2002/03 after dropping sharply in 2001/02. The temporary suspension of staff access to training and development funds as a fiscal restraint measure in fall 2001 likely accounted for the lower result last year.

Note: As indicated in Alberta Learning's 2003-2006 Business Plan, a new measure, roll-up of core measure results, is under development. This new measure will replace the measures reported for Goal 5 (this page and the next) in the 2003/04 Annual Report.

Percentages of Staff Who Agree That the Organization Provides the Support Needed for Staff to Acquire or Develop Knowledge and Skills in Their Current Job (new)



Sources: Personnel Administration Office, The Advisory Group – 1999, Research Innovations Inc. – 2000, 2001, 2002, 2003.

Notes:

- The 1998/99 percentages for Alberta Learning reports the weighted average results of the former Ministries of Education and of Advanced Education and Career Development.
- See Endnote A, pages 203-206, for information on the employee surveys.

Organizational Efficiency and Effectiveness

TARGET:

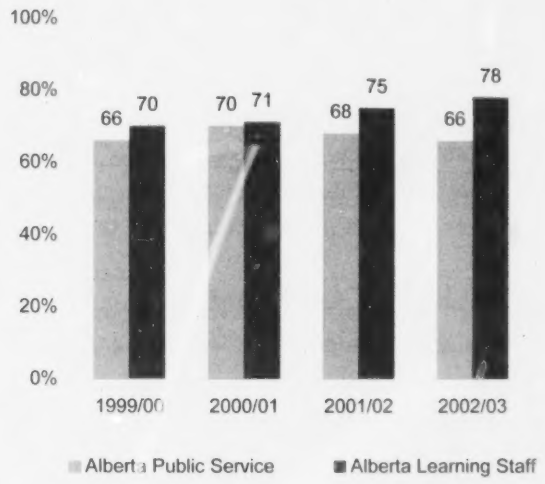
- No target was set for this new measure (under development in the 2002-2005 business plan).

DISCUSSION:

- In 2002/03, more than three-quarters of Alberta Learning employees surveyed agreed that the organization provides expected outcomes for their work.
- Results for Alberta Learning on this measure have increased steadily since 2000/01.
- Ministry results in 2001/02 and 2002/03 are significantly higher than results for all Alberta public service employees.
- Expected outcomes enable staff to be more efficient and effective.

Note: See the previous page for information on changes to this measure in future years.

Percentages of Staff Who Agree That the Organization Provides Expected Outcomes for their Work (new)



Sources: Personnel Administration Office, The Advisory Group – 1999, Research Innovations Inc. – 2000, 2001, 2002, 2003.

Note:

- See Endnote A, pages 203-206, for information on the employee surveys.

Ministry Financial Information

FINANCIAL RESULTS AND PERFORMANCE

Financial results of the Ministry of Learning for the year ended March 31, 2003 include the activities of the Department of Learning and the Alberta School Foundation Fund. More detailed information can be found in the Ministry's financial statements (pages 48-112).

	In millions		
	2003		2002
	Budget	Actual	Actual
REVENUES			
School property taxes	$ 1,093	$ 1,113	$ 1,094
Internal government transfers	104	105	71
Transfers from the Government of Canada	175	115	167
Sales of learning resources	30	26	29
Fees, permits, licenses and other revenue	8	11	10
	1,410	1,370	1,371
EXPENSES BY CORE BUSINESS			
Basic Learning[1]	3,455	3,543	3,336
Adult Learning[2]	1,252	1,262	1,176
Apprenticeship and Industry Training	27	29	24
	4,734	4,834	4,536
NET OPERATING RESULTS	$ (3,324)	$ (3,464)	$ (3,165)

1. For comparability, 2002 Actual results have been adjusted to reflect 2003 presentation and the transfer of responsibility for school operation and maintenance costs to the Ministry of Infrastructure.
2. Includes operating grants provided to post-secondary institutions used but not specifically earmarked for apprenticeship and industry training.

OVERVIEW

The Government of Alberta continued to make Learning a priority in 2002/03. Investment in Learning increased $298 million (6.6%). Approximately 95% of the Ministry's expenses were comprised of grants to provide programs and help Alberta's learners. Ministry support costs were reduced by $2.4 million to $27.5 million, 0.57% of the Ministry's expenses.

In Basic Learning, support increased $207 million, including a one-time teachers' pension contribution of $60 million. Other increases were in grant rate and enrolment increases and student health.

Expenses for Adult Learning increased $86 million from the prior year. Included are increased grants to post-secondary institutions of $47 million and a $31 million commitment for a research facility at the University of Calgary.

Alberta Learning invested $89 million in loans to students in post-secondary institutions in 2002/03. Alberta Learning continues to assist students in managing their student loan debt by providing $66 million in debt reduction initiatives. Alberta Heritage Scholarships and other provincial scholarships and bursaries provided an additional $53 million to students.

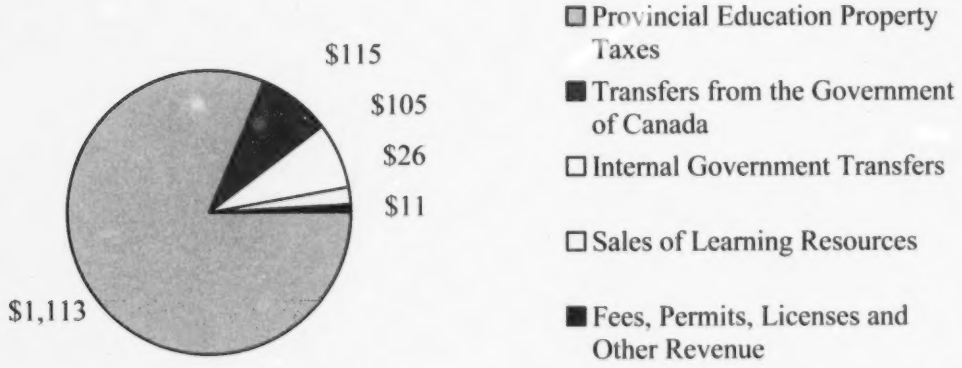
Apprenticeship and Industry Training increased $5 million by providing additional funding to institutions through the Access Fund (Apprenticeship) to increase access to apprenticeship technical training.

REVENUES

Revenue for the Ministry of Learning totaled $1,370 million for 2002/03, as follows:

- $1,113 million of the Ministry's revenues was derived from provincial education property taxes which were collected by the provincial government through the Alberta School Foundation Fund
- $105 million was received through internal government transfers, including
  - $84 million from the Lottery Fund
  - $21 million from the Alberta Heritage Scholarship Fund
- $115 million in revenue was received in transfers from the Government of Canada, including
  - $114 million in Canadian Health and Social Transfers
  - $1 million in support of Canada Student Loans administration
- $26 million in revenues related to the sale and distribution of learning and teaching resources that have been purchased directly from publishers or developed and printed by the Ministry
- $11 million in revenues were generated from various programs such as Marketing Apprenticeship, high school transcripts, teacher certification fees, as well as other income sources such as investment income

Revenues by Source
(in millions)



Comparison of 2002/2003 actuals to budget

Revenues were $40 million less than budgeted as a result of the following:

- $60 million less than expected in Canadian Health and Social Transfer revenue
- $4 million lower than anticipated sales of learning and teaching resources

- Provincial education property taxes were $20 million more than budgeted because of assessment growth and the inclusion of revenue that was previously held for assessment adjustments and appeals
- $4 million in increases over budget in other areas including Heritage Scholarship Fund revenue, investment income and refund of prior year expenses

Comparison of 2002/2003 actuals to prior year

Overall, revenues for the Ministry decreased $1 million from 2001/02. However, the variances among the revenue sources varied more significantly:

- Provincial Education Property Taxes increased $19 million due to an increase in the assessment base, as well as a change in the presentation that recognized revenue for amounts that had been held for assessment adjustments and appeals
- Lottery fund contributions were increased by $32 million to include additional funding for community education, the online curriculum repository and high speed networking for schools
- Revenue associated with the distribution of Heritage Scholarships increased by $2 million
- Alberta's share of Canadian Health and Social Transfers from the federal government has decreased, decreasing Learning's share by approximately $51 million
- $3 million decrease in the sale of learning resources

EXPENSES

Directly incurred expenses for the Ministry of Learning amounted to $4,834 million for 2002/03, as follows:

- Approximately $3,543 million in expenses related to Basic Learning:
  - $2,940 million paid in operating support to Public and Separate School boards offset by $147 million in amounts for opted-out school boards
  - Teachers' pension costs of $374 million for the year
  - Costs relating to early childhood services of $172 million
  - Support for private schools, excluding early childhood services, totaling $68 million
  - $30 million in expenses incurred to support student health
  - $31 million paid to support other basic learning programs including the production and delivery of learning and teaching resources
  - Program delivery support of $52 million and an additional $20.1 million, which is Basic Learning's share of the expenses presented under ministry support services[1]
  - $3 million in debt servicing costs incurred by Alberta School Foundation Fund
- Approximately $1,262 million in expenses related to Adult Learning:
  - $920 million was paid to support post-secondary institutions
  - $174 million in additional support was provided for faculty retention and other program support and to increase the accessibility of post-secondary programs
  - Support to post-secondary learners in the form of scholarships, bursaries, maintenance grants and student loan relief totaled $124 million

[1] Ministry Support Services costs totaling $27.5 million (2002 - $29.9 million) are allocated based on each core business' proportion of overall Ministry expenses.

- Program delivery support of $37 million and an additional $7.2 million, which is Adult Learning's share of the expenses presented under ministry support services[1]

- Approximately $29 million in expenses related to Apprenticeship and Industry Training:
  - Expenses of $14 million were incurred to deliver the program
  - $13 million in grants to post-secondary institutions to increase access to apprenticeship and industry training programs
  - Marketing Apprenticeship expenses were $2 million
  - Apprenticeship and Industry Training's share of expenses presented under ministry support services was $0.2 million[1]

Comparison of 2002/2003 actuals to budget

Expenses were $100 million higher than budgeted as a result of the following:

- $88 million more than budgeted for expenses in Basic Learning consisting of
  - Greater than expected teachers' pension expenses of $72 million primarily due to a $60 million one-time payment on behalf of teachers towards their unfunded pension liability and $9 million more than budgeted to reflect the effect of increased teachers' salaries and poor investment performance on the unfunded pension liability
  - Additional funding of $5 million to opted-out school boards to supplement their funding for basic learning
  - Early childhood services grants increased $7 million as a result of increased enrolment
  - $7 million more for private schools due to enrolment increases
  - $4 million more than expected in program delivery costs and a $1 million reduction in Basic Learning's share of ministry support services
  - A $2 million increase over budget in student health costs
  - $7 million lower than expected expenses for other Basic Learning programs, including some operating grants and the Learning Resources Centre. As a dedicated revenue initiative, decreased sales at Learning Resources Centre were matched by reduced expenses
  - $1 million reduction in debt servicing costs
- $10 million over budget in Adult Learning comprised of
  - $31 million unbudgeted liability to fund the purchase of a research facility for the University of Calgary
  - Increased program systems support of $2 million
  - $15 million reduction in demand for student funding programs primarily comprised of student loan relief benefits, maintenance grants, scholarships and bursaries
  - $6 million lower than expected provision for student loans due to an anticipated reduction in future payments on these loans
  - $2 million reduction in program delivery support
- Apprenticeship and Industry Training costs varied $2 million from budget due to funding provided to increase the accessibility of Apprenticeship programs

[1] Ministry Support Services costs totaling $27.5 million (2002 - $29.9 million) are allocated based on each core business' proportion of overall Ministry expenses.

Comparison of 2002/2003 actuals to prior year

Expenses increased $298 million over 2001/02. This is a result of

- Increases totaling $207 million in Basic Learning from the following:
  - Grant rate increases, increased enrolment, and teacher salary enhancements resulted in an additional $112 million in support to public and separate school boards
  - Teachers' pension costs increased by $93 million, primarily due to a $60 million one-time payment on behalf of teachers to fund the unfunded pension liability. Other increases included an increase in past and current service contributions and an increase reflecting the effect of increased teachers' salaries and poor investment performance of pension assets on the unfunded pension liability
  - There were increases in spending to early childhood services ($9 million), student health ($3 million) and private schools ($1 million)
  - $7 million increase in program delivery support and a $3 million reduction in Basic Learning's share of ministry support services
  - $11 million less due to increased property tax support to opted-out school boards
  - $4 million lower than 2001/02 in other basic learning programs including a reduction in costs associated with reduced sales of learning resources and reduced debt servicing costs
- Increases totaling $86 million in Adult Learning due to
  - A $63 million increase in operating grants to post-secondary institutions
  - Performance funding of $9 million to post-secondary institutions in 2001/02 was not available in the current year. Instead, operating grant increases were provided to all post-secondary institutions as demonstrated above
  - A decrease in faculty retention funding of $17 million. Prior years' faculty retention funding was rolled in to the current years' operating grants for post-secondary institutions, as demonstrated above, and an additional $11 million was provided in the current year.
  - An additional $11 million to increase students' access to post-secondary programs
  - A $31 million one-time expense for the purchase of a research facility at the University of Calgary
  - Increased student loan relief benefit funding of $8 million resulting from the first full year of providing this funding to students
  - Increases of $5 million for Achievement and Heritage Scholarships
  - A $10 million reduction in the provision for student loans caused by the gradual phasing out of bank administered student loans
  - A reduction in program delivery support of $3 million and an increase in program systems support of $7 million
- Increases totaling $5 million in Apprenticeship and Industry Training primarily due to increased grants to post-secondary institutions earmarked for apprenticeship and industry training initiatives.

GRANTS

Grants accounted for $4,572 million or 95% of the total amount of the Ministry's expenses.

- Grants to school boards totaled $2,944 million and consisted of
  - $2,996 million in instruction and support block funding and other enrollment driven funding offset by $147 million school property taxes already collected by opted-out separate school boards, who have the authority to requisition and collect levies on their residential and non-residential properties
  - $65 million in grants for the Alberta Initiative for School Improvement
  - $30 million for the Student Health program
- Grants to post-secondary institutions totaled $1,076 million and consisted of
  - $944 million in operating and conditional grant funding
  - $102 million to support program expansion through the Access Fund
  - $13 million in faculty retention and equity grants
  - $17 million in other program support for adult learning programs
- Grants to adult learners totaled $116 million and were comprised of
  - $59 million in assistance to learners in the form of student loan relief benefits, maintenance grants, Alberta opportunities bursaries, achievement and other scholarships
  - $36 million as a provision for the future cost of student loans for remissions, interest and loan guarantees
  - $21 million in scholarships funded through the Alberta Heritage Scholarship Fund
- Other grants in the amount of $436 million included
  - Grants to the teachers' pension of $122 million for current service and $118 million for past service. Also, there is a one time payment of $60 million toward the teachers' share of the unfunded pension liability
  - $112 million in financial assistance to private schools for early childhood services and instruction grants
  - $24 million in grants for other areas including community education programs and learning television

Looking Ahead: Opportunities and Challenges for Alberta's Learning System

Education is increasingly being recognized as a key anchor for facilitating and securing economic growth, societal prosperity, and healthy communities, thereby improving the standard of living. For Alberta to continue to prosper, emphasis should continue to be placed on ensuring access to early childhood education, successful completion of K-12 learning, smooth transitions to post-secondary learning, and participation in a continuum of lifelong learning.

Alberta is already recognized nationally and internationally for the excellence of its learning system. To sustain and improve upon this excellence and ensure Albertans are prepared for success in the knowledge economy, Alberta Learning, its partners, and its stakeholders will continue to enhance the capacity of the system to respond to significant, consistent environmental influences and related expectations.

Providing a Strong Foundation for Children and Youth

In a society influenced by lifelong learning, it is critical that children enter school ready to learn. Ensuring school readiness may reduce the need for remedial services during and beyond school years. Meeting children's basic educational needs to allow them to benefit fully from school is a responsibility shared between Alberta Learning and its partners, its learning system stakeholders, and Alberta's parents. The priority of the learning system is to meet the basic educational needs of children and youth and enable them to fully benefit from school. For Alberta's youth to take full advantage of opportunities beyond basic learning, well-rounded preparation for further learning, work and community participation is essential. Opportunities and challenges include:

- Optimizing early childhood development and basic education to build a strong foundation of cognitive, physical, emotional and spiritual health necessary for the development of fundamental skills and knowledge for full participation of Albertans in lifelong learning.
- Providing opportunities to address literacy issues for all age groups in Alberta, as literacy is a basic foundation for all learning and for success in the knowledge-based society and economy.
- Promoting completion of high school to encourage advancement, as high school academic achievement and completion are strong predictors of post-secondary success and employment.

Ensuring High Quality Learning Opportunities for All

Learners and learning stakeholders have rising expectations for a choice-filled, high quality, and safe learning system. Adding to these challenges, Alberta continues to face the complexities of significant demographic trends, including a growing senior population, an increasing Aboriginal youth population, an aging workforce, rural depopulation, and urban population growth. Opportunities and challenges include:

- Devising innovative ways to consult with Albertans to obtain their input on priorities for the lifelong learning system.
- Working with communities to address the learning needs of First Nations, Métis, and Inuit children and youth and enhancing current levels of educational attainment among Aboriginal youth.
- Collaborating with partners and stakeholders to assess trends, needs, best practices, and the opportunities and challenges of learning technology as well as to clarify roles and responsibilities among the Ministry, learning providers, and learners on planning and implementing improvements in the use of technology.
- Enhancing lifelong learning opportunities for Albertans through electronic access to learning resources and multimedia learning materials.
- Ensuring that programming, curriculum and instructor preparation keep pace with the rapid technological advances and the inherent changes of a knowledge-based economy.
- Responding to industry requests for designating new trades and occupations to ensure that employers have the skilled workers they require and that high standards of training are maintained.
- Attracting and retaining teachers and faculty, especially in the areas of math, science, second languages and post-secondary education, as improved economies and aging populations increase competition for human resources.
- Working with partners and stakeholders to respond to the needs of learners entering the system from outside Alberta and Canada.
- Enhancing education delivery methods to assist rural communities in maintaining quality service levels.

Preparing a Highly Knowledgeable and Skilled Workforce

In modern societies, knowledge, innovation, and education are the key drivers of economic and societal prosperity. In the emerging knowledge-based economy, with its emphasis on ideas, communication, and innovation, education and lifelong learning are more important than ever for success. It is also expected that the future labour market demand will continue to be concentrated on jobs requiring some form of post-secondary education or training. In addition, jobs that have traditionally required minimal knowledge, skills and training are expanding their scope in response to challenges from new technologies, safety issues and customer service expectations. Opportunities and challenges include:

- Fostering recognition of learning as an investment in the future of individuals and the province as a whole. Often in strong economies, readily available employment opportunities may lead some individuals to postpone their decision to pursue further learning.
- Ensuring that a wide range of initiatives and programs are in place and publicized to support learning across the stages of life.
- Improving participation in second language learning in recognition of its impact on intellectual potential and development, scholastic achievement, first language skills, citizenship, and the economy.
- Enhancing awareness of rising workplace skill requirements and skill development opportunities, of the affordability of post-secondary education, and of the financial support available to access post-secondary education.
- Developing strategies to increase high school completion rates and the likelihood of students' continuation to post-secondary learning to ensure Albertans are prepared to participate in and benefit from the knowledge-based economy.
- Developing strategies to address industry's need for a highly skilled and trained workforce, especially in areas of expected skill shortages.

Sustainability of the Learning System

In addition to the question of how to maintain high quality, relevant, accessible and affordable learning opportunities is the issue of how to sustain the learning infrastructure in the long term. Parents are expressing a desire to have greater input into decision-making on educational policies and their children's educational choices. Business and industry are demanding more relevant training with increasing standards. Trends are towards increasingly individualized, learner-centered instruction. An additional aspect resulting from the increased public demand for lifelong learning is an environment where education potentially becomes a competitive business sector. This increases the learner's choices; however, accountability for quality of education may be compromised unless government plays a role to ensure that accessible, affordable and quality education is maintained. Various demands are being made of the learning system, which is striving to adapt while sustaining itself over the long term. Opportunities and challenges include:

- Developing an overall strategy to sustain the learning infrastructure in the long term while maintaining its flexibility to adapt to changing needs.
- Clarifying roles and responsibilities for accountability among the federal government, the provincial government, learning providers, and learners.
- Ensuring governments, institutions and communities develop solutions on how to share the responsibility for infrastructure renewal.
- Ensuring Alberta's learning system has the ability to adjust programming and curriculum to keep pace with the changes inherent in the fast-paced changing environment.
- Ensuring adequate investment is provided for the learning system throughout the province.
- Reviewing the government's role in ensuring that accessible, affordable and quality education is maintained in the increasingly competitive education sector.

Through on-going work with partners and stakeholders, Alberta Learning will continue to address these challenges and opportunities and improve on the foundation of excellence in the learning system by further enhancing the strategic direction of the Ministry. To focus efforts more effectively throughout the learning system, the goals were consolidated from five to three in the 2003-2006 business plan. The Ministry's plan for 2003-06 contains strategies that address the Ministry's on-going opportunities and challenges.

8. Financial Information

Audited Information

MINISTRY OF LEARNING

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2003

Auditor's Report

Consolidated Statement of Operations

Consolidated Statement of Financial Position

Consolidated Statement of Changes in Financial Position

Notes to the Consolidated Financial Statements

Schedule 1 - Revenues

Schedule 2 - Expenses – Directly Incurred by Object

Schedule 3 - Budget

Schedule 4 - Funding Provided to School Boards

Schedule 5 - Funding Provided to Post-Secondary Institutions

Schedule 6 - Statement of Alberta Heritage Scholarship Fund Expenses

Schedule 7 - Purchase of Capital Assets

Schedule 8 - Voted Non-Budgetary Disbursements by Program

Schedule 9 - Related Party Transactions

Schedule 10 - Allocated Costs

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Learning as at March 31, 2003 and the consolidated statements of operations and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following accounting policies that are exceptions from Canadian generally accepted accounting principles:

Reporting entity

Canadian generally accepted accounting principles require the consolidation of organizations that together constitute a single economic unit. In the public sector, consolidated financial statements should aggregate the financial statements of organizations comprising a reporting entity. A reporting entity is defined as comprising the organizations that are controlled by the government. In my opinion, all of the organizations referred to in Note 2(a) meet the criteria for inclusion in the reporting entity and, accordingly, the results of operations and financial position of these organizations should be included in these financial statements. However, the Ministry has not consolidated these entities although they are primarily dependent on government support for their continued existence and are subject to Ministerial direction and control. Had these entities been consolidated, virtually every account in, and the information provided by way of note to, the accompanying financial statements would be materially different. I estimate that, if these entities were consolidated, the total assets of the Ministry at March 31, 2003 would be increased by approximately $8 billion and expenses for the year then ended would be increased by approximately $2 billion. The effect on revenue, liabilities and net liabilities for the year ended March 31, 2003 cannot be estimated because the required information is not available.

Related party transactions

All of the organizations listed in Note 2(a) are related parties of the Ministry. Under Canadian generally accepted accounting principles, the relationship between the Minister and the organizations listed in Note 2(a) must be described along with the transactions between the Minister and these organizations. Also, Schedule 9 (Related Party Transactions) has not disclosed advances to opted out boards during the year in the amount of $147 million. The terms of these transactions are that the Alberta School Foundation Fund makes monthly advances to opted out boards and the boards repay the advances to the Fund without interest at the end of each quarter when they receive school property taxes directly from the municipalities in which they reside.

The Ministry's liability for student loans issued is also not in accordance with Canadian generally accepted accounting principles. This liability is an estimate of loan relief completion entitlements for students. An analysis performed by the Ministry indicates that the liability reported in these financial statements is overstated by $35 million. The effect of this overstatement of liabilities is to overstate support to post-secondary learners expense by $35 million.

In my opinion, because of the effects of the matters discussed in the preceding paragraphs, these consolidated financial statements do not present fairly the financial position of the Ministry as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J. Dunn

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

MINISTRY OF LEARNING
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003

(in thousands)

	2003		2002
	Budget (Schedule 3)	Actual	Actual (Restated – Note 3)
Revenues (Schedule 1)			
Provincial Education Property Taxes	$ 1,093,000	$ 1,112,792	$ 1,094,070
Internal Government Transfers	103,800	105,094	71,337
Transfers from Government of Canada	174,586	115,580	167,116
Sales of Learning Resources	30,245	25,844	29,013
Premiums, Fees and Licences	4,866	5,047	4,763
Other Revenue	3,440	5,820	5,271
	1,409,937	1,370,177	1,371,570
Expenses - Directly Incurred (Schedule 2)			
Operating Support to Public and Separate Schools	2,940,588	2,940,029	2,827,983
Teachers' Pension (Note 15)	302,334	374,267	281,187
Early Childhood Services	164,225	172,022	162,721
Private School Support	60,501	67,920	66,885
Other Basic Learning Programs	36,722	30,800	33,966
Student Health	28,547	30,390	27,317
	3,532,917	3,615,428	3,400,059
Less: Property Tax Support to Opted-Out Separate School Boards (Schedule 4)	(152,000)	(146,788)	(135,409)
Total Ministry Support to Basic Learning	3,380,917	3,468,640	3,264,650
Assistance to Post Secondary Institutions	1,074,914	1,107,005	1,025,767
Support to Post Secondary Learners	140,755	123,670	112,814
Total Adult Learning Support	1,215,669	1,230,675	1,138,581
Apprenticeship Delivery	16,281	15,774	14,444
Ministry Support Services	29,530	27,489	29,851
Program Delivery Support	87,432	88,804	85,357
Total Expenses Before Debt Servicing Costs	4,729,829	4,831,382	4,532,883
Debt Servicing Costs	3,891	2,667	3,297
Ministry Expense	4,733,720	4,834,049	4,536,180
(Gain) Loss on Disposal of Capital Assets	-	(19)	11
Ministry Net Operating Results	$ (3,323,783)	$ (3,463,853)	$ (3,164,621)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF LEARNING
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2003

(in thousands)

	2003	2002 (Restated – Note 3)
Assets		
Cash (Note 4)	$ 55,720	$ 43,782
Accounts Receivable (Note 5)	40,292	41,714
Loans Receivable (Note 6)	77,374	38,086
Inventory	6,408	6,537
Capital Assets (Note 7)	10,704	5,456
	$ 190,498	$ 135,575
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	$ 145,078	$ 88,146
Allowance for Assessment Adjustments and Appeals	2,630	21,000
Liability for Student Loans Issued (Note 9)	84,647	128,420
Teachers' Pension Obligation (Note 15)	3,964,572	3,890,042
	4,196,927	4,127,608
Net Liabilities		
Net Liabilities at Beginning of Year	(3,992,033)	(3,984,138)
Net Operating Results	(3,463,853)	(3,164,621)
Net Transfer from General Revenues	3,449,457	3,156,726
Net Liabilities at End of Year	(4,006,429)	(3,992,033)
	$ 190,498	$ 135,575
Net Liabilities at End of Year	$ (4,006,429)	$ (3,992,033)
Less Teachers' Pension Obligation	3,964,572	3,890,042
Net Liabilities Excluding Teachers' Pension Obligation	$ (41,857)	$ (101,991)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF LEARNING
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2003

	(in thousands)	
	2003	2002 (Restated – Note 3)
Operating Transactions		
Net Operating Results	$ (3,463,853)	$ (3,164,621)
Non-Cash Items		
Amortization	1,140	1,087
(Gain) Loss on Disposal of Capital Assets	(19)	11
Valuation Adjustments		
Provision for Teachers' Pension	74,530	57,344
Provision for Student Loans	35,967	45,970
Provision for Loan Repayable from Future Appropriation (Note 8a)	30,700	-
Provision for Doubtful Accounts	25	57
Provision for Vacation Pay	570	(254)
	(3,320,940)	(3,060,406)
Net Change in Liability for Student Loans Issued	(34,251)	(52,814)
Decrease (Increase) in Accounts Receivable	1,397	(17,546)
Decrease (Increase) in Inventory	129	(335)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	25,662	10,591
(Decrease) Increase in Allowance for Assessment Adjustments and Appeals	(18,370)	(18,062)
Cash Used by Operating Transactions	(3,346,373)	(3,138,572)
Investing transactions		
Net Change in Loans Receivable	(84,777)	(81,939)
Proceeds from Disposal of Capital Assets	19	-
Purchase of Capital Assets (Schedule 7)	(6,388)	(3,071)
Net Capital Assets Transferred from Other Ministries	-	153
Cash Used for Investing Transactions	(91,146)	(84,857)
Financing transactions		
Net Transfer from General Revenues	3,449,457	3,156,726
Net Cash (Used) Provided	$ 11,938	$ (66,703)
Cash, Beginning of Year	43,782	110,485
Cash, End of Year	$ 55,720	$ 43,782

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF LEARNING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2003

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Learning has been designated as responsible for various Acts by the Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000 and its regulations. To fulfill these responsibilities, the Minister administers the organizations listed below. The authority under which each organization operates is also listed. Together, these organizations form the Ministry of Learning.

Organization	Authority
The Department of Learning	Government Organization Act
Alberta School Foundation Fund	School Act

The purpose of the Ministry is to lead and work with partners to build a globally recognized lifelong learning community that enables Albertans to be responsible, caring, self-reliant and contributing members of a knowledge-based and prosperous society.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government.

(a) Reporting Entity

The reporting entity is the Ministry of Learning, for which the Minister of Learning is accountable. These consolidated financial statements include the activities of the Department of Learning and the Alberta School Foundation Fund. Activities of school boards, universities, technical institutes and public colleges, which are accountable organizations to the Minister, and the Banff Centre are reported in these statements to the extent of contributions from the Ministry under programs to cover the operations of these entities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- amortization of capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year and additional employer contributions for service relating to prior years.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, student loans, loan repayable from future appropriations and teachers' pension.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 10.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as inventories held for resale. Inventories held for resale are valued at the lower of cost, determined on a weighted average basis, or estimated net realizable value.

Loans receivable are recorded at cost net of the allowance for loan relief completion payments and the allowance for impaired loans.

Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. All land is capitalized.

Donated capital assets are recorded at their fair value at the time of contribution.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end. They include the Ministry's obligations for future payments under the Student Loan Act for guarantees, remissions, risk premiums and interest; an estimate of future payments for property assessment appeals and adjustments; and the Province's share of the unfunded pension liability associated with the Teachers' Pension Plan entitlements.

Net Liabilities

Net liabilities represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Measurement Uncertainty

Measurement uncertainty exists when there is significant variance between the amount recognized in the financial statements and another reasonably possible amount. The liability for student loans issued amounting to $84,647,000 (2002 - $128,420,000), the allowance for loan relief completion payments amounting to $59,934,000 (2002 - $36,859,000), the allowance for impaired loans amounting to $11,561,000 (2002 - $5,691,000) and the teachers' pension obligation amounting to $3,964,572,000 (2002 - $3,890,042,000) are subject to measurement uncertainty.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(b) Basis of Financial Reporting (continued)

Measurement Uncertainty (continued)

The Ministry has made certain assumptions in the determination of the liability for student loans, such as future interest, recovery and default rates. In determining the allowance for loan relief completion payments, assumptions were made regarding the percentage of students exceeding their maximum debt limit upon completion of their studies. The Ministry has made certain assumptions with respect to the recovery and default rates in the determination of the allowance for impaired loans. Changes in these assumptions could materially impact the liability for student loans issued, the allowance for loan relief completion payments and the allowance for impaired loans.

The measurement uncertainty for the teachers' pension obligation arises because actual experience may vary from the assumptions used in the calculation.

Note 9 discloses information on the liability for student loans issued and Note 15 discloses information on the teachers' pension plan.

NOTE 3 PROGRAM TRANSFER

Effective April 1, 2002, the operations and maintenance of school facilities was transferred to the Ministry of Infrastructure. Comparative expenses have been reduced and the comparative net transfer from General Revenues has been reduced by $309,084,000 to reflect this transfer of responsibility.

NOTE 4 CASH

Cash consists primarily of deposits in the Consolidated Cash Investment Trust Fund which is managed by Alberta Finance to provide competitive interest income while maintaining maximum security and liquidity of depositors' capital.

NOTE 5 ACCOUNTS RECEIVABLE

	(in thousands)	
	2003	2002
Government of Canada	$ 9,295	$ 10,163
School Boards	1,009	16,853
Requisitions from Municipalities	27,945	14,096
Accrued Interest Receivable on Loans	360	82
Other	1,683	520
	$ 40,292	$ 41,714

Accounts receivable are non-interest bearing, unsecured and reported at their net realizable value.

NOTE 6 LOANS RECEIVABLE

	(in thousands)	
	2003	2002
Loans Receivable	$ 148,869	$ 80,636
Less:		
Allowance for Impaired Loans	(11,561)	(5,691)
Allowance for Loan Relief Completion Payments	(59,934)	(36,859)
	$ 77,374	$ 38,086

Effective August 2001, under the terms of the Alberta Student Loan Program, loans are provided by the Ministry to qualifying students at interest rates prescribed by the Minister of Learning.

Loans receivable are stated at cost net of the allowance for loan relief completion payments and the allowance for impaired loans. Loan relief completion payments on Alberta Student Loans are available to students who complete their studies and have assumed a total combined indebtedness of Canada and Alberta Student Loans exceeding established debt limits.

Loans receivable are classified as impaired when:

- there is no longer reasonable assurance as to the timely collection of the full amount of principal or interest, or
- the borrower has failed to make payments for a period of 150 days, or
- interest is owing to the Province for a period of 180 days.

The allowance for impaired loans is a general provision that estimates the amount of loans receivable that will be impaired. The key assumptions used to determine this provision are default rates and recovery rates.

Loans receivable become payable and interest is earned when students discontinue their studies or graduate. Loans receivable bear interest at either a fixed rate of prime plus 5% or floating rate based on prime plus 2.5% and are repayable to a maximum term of 114 months. When loans receivable are classified as impaired, interest ceases to accrue. Loans receivable are unsecured.

NOTE 7 CAPITAL ASSETS

		(in thousands)			
		2003			2002
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment (a)	3-10 years	$ 3,386	$ 1,280	$ 2,106	$ 834
Computer Hardware and Software	5 years	21,988	13,390	8,598	4,622
		$ 25,374	$ 14,670	$ 10,704	$ 5,456

(a) Equipment includes office equipment and furniture.

NOTE 8 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	(in thousands)	
	2003	2002
Accounts Payable	$ 14,690	$ 10,132
Accrued Liabilities - vacation	6,010	5,440
- other	30,342	45,200
- University of Calgary (a)	30,700	-
Advances from Government of Canada	56,119	26,139
Unearned Revenue	7,217	729
Interest Payable on Advances from General Revenues (b)	-	506
	$ 145,078	$ 88,146

(a) The Ministry has agreed to repay the $30,700,000 loan for a research facility for the University of Calgary. A provision for a loan repayable from future appropriations equivalent to this amount has also been recorded.

(b) Under the provisions of the Financial Administration Act, the Alberta School Foundation Fund receives monthly advances from General Revenues to make payments to school boards in accordance with section 176(1) of the School Act. The Fund repays the advances as monies are received from municipalities.

The Fund pays interest on the advances at the appropriate bankers' acceptance rate less 0.05%. Interest is calculated on a prorata basis for the number of days the advances are outstanding.

NOTE 9 LIABILITY FOR STUDENT LOANS ISSUED

	(in thousands) 2003	2002
Loan Relief Completion Payments (a)	$ 62,452	$ 90,872
Interest (b)	11,780	21,451
Guarantees (net of estimated recoveries) (c)	7,531	10,970
Risk Premium (d)	2,884	5,127
	$ 84,647	$ 128,420

Prior to August 2001, financial institutions issued loans under guaranteed and non-guaranteed risk share initiatives to Alberta students.

As at March 31, 2003, the outstanding Alberta Student Loans issued by the financial institutions to Alberta students amounted to $301 million (2002 - $371 million). The government fully guarantees $58 million (2002 - $80 million) of these outstanding loans. The authorized guarantee limit set by Order in Council for loans issued under the Student Loan Act is $400 million.

These student loans result in a liability to the government for loan relief completion payments, interest, guarantees and risk premium. This liability is recognized in the year the financial institutions issue loans and is re-evaluated each year to reflect changes in assumptions or new information.

(a) Loan relief completion payments are payable on Alberta Student Loans when a students' combined indebtedness of Canada and Alberta Student Loans exceeds established debt limits. In determining the liability for loan relief completion payments, assumptions were made regarding the percentage of students exceeding their maximum debt limit upon completion of their studies. Changes in these assumptions could materially impact the calculation of the liability for loan relief completion payments.

(b) Interest is paid at a variable rate based on prime for Alberta Student Loans while the students are in school. Interest relief is provided to students who have completed their studies and who meet certain requirements whereby the government pays all or a portion of the interest on the Alberta Student Loan. Changes in assumptions regarding future interest rates will impact the liability for interest. The impact of a 1% interest rate change on the interest liability is estimated to be $1,705,000.

(c) The liability for guarantees is an estimate of the amount of guaranteed Alberta Student Loans which will go into default, less the amount that will subsequently be recovered from students. The key assumptions used to determine this liability are the default and recovery rates.

(d) A risk premium of either 5% or 8% on Alberta Student Loans is paid to the respective financial institutions six months after students complete their studies. This premium eliminates the need for the government to provide further loan guarantees on most student loans outstanding.

NOTE 10 VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities, and the allowance for assessment adjustments and appeals are estimated to approximate their carrying values.

NOTE 11 COMMITMENTS

As at March 31, 2003, the Ministry has $14,634,000 (2002 - $9,562,000) in commitments relating to service and grant contracts. The Ministry has approved $3,037,000 (2002 - $4,931,000) of loans to students which have not been cashed by students as at March 31, 2003.

NOTE 12 CONTINGENCIES

The Ministry has entered into indemnity agreements with school jurisdictions that have been named in residential school claims. The resulting loss, if any, from these indemnity agreements cannot be determined.

At March 31, 2003, the Ministry is a defendant in four legal claims (2002 – four legal claims). Two of these claims have specified amounts totaling $1,350,000 and the remaining two have not specified any amount. The resulting loss, if any, from these claims cannot be determined.

NOTE 13 TRUST FUNDS UNDER ADMINISTRATION

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements.

At March 31, 2003, trust funds under administration were as follows:

	(in thousands)			
	2003			2002
	Total Assets	Total Liabilities	Net Assets (Net Liabilities)	Net Assets (Net Liabilities)
Department of Learning General Trust	$ 290	$ 290	$ -	$ -
Department of Learning Endowment Fund	171	-	171	170
Teachers' Pension Plan Funds	2,583,000	8,459,000	(5,876,000)	(4,833,000)
Mildred Rowe Weston Estate Trust	76	-	76	77
	$ 2,583,537	$ 8,459,290	$ (5,875,753)	$ (4,832,753)

NOTE 14 PAYMENTS UNDER AGREEMENT

The Ministry has entered into several agreements to deliver programs on behalf of third parties, which include the Government of Canada. Costs incurred under these agreements are made by the Ministry under authority of the Financial Administration Act, Section 25. Accounts receivable includes $8,002,000 (2002 – $8,056,000) and accounts payable and accrued liabilities includes $3,818,000 (2002 - $7,503,000) relating to payments under agreement.

NOTE 14 PAYMENTS UNDER AGREEMENT (CONTINUED)

Amounts paid and payable under agreements on behalf of third parties are as follows:

	(in thousands)	
	2003	2002
Canadian Millennium Scholarship Foundation		
Canadian Millennium Scholarships	$ 26,621	$ 22,215
Government of Canada		
Canada Study Grants	8,885	8,267
Immigration Settlement Services	-	55
Faculte St. Jean Construction and Fellowships	-	277
French Minority Language Education and French Second Language Instruction	9,165	11,823
South Africa Teacher Development Program	717	1,000
Interprovincial Computerized Exam Management System	68	130
Alberta School Boards		
International Student Program	-	30
Western Provinces		
French Math Resources	200	749
	$ 45,656	$ 44,546

NOTE 15 DEFINED BENEFIT PLANS

Teachers' Pension Plan

The Alberta Teachers' Retirement Fund Board is a trustee and administrator of the Teachers' Pension Plan. The Alberta Teachers' Retirement Fund Board operates under the authority of the Teachers' Pension Plans Act. The Act requires all teachers under contract with public and separate school jurisdictions in Alberta to contribute to the Teachers' Pension Plan.

Under the Teachers' Pension Plans Act, the unfunded liability for service credited prior to September 1, 1992 is being financed by additional contributions in the ratio of 67.35 percent by the Province and 32.65 percent by the teachers over the period ending August 31, 2060. In addition, for service after August 1992, the Province funds 50 percent of the post- 1992 unfunded liability, any current service costs and related actuarial adjustments, including certain cost-of-living benefits. The Act provides that payment of all benefits prior to September 1, 1992 is guaranteed by the Province.

The teachers' pension obligation is based upon actuarial valuations performed at least triennially using the projected benefit method prorated on services. The assumptions used in the valuation are adopted after consultations between the pension plan board, the government and the actuaries, and represent best estimates of future events. The plan's future experience will inevitably vary, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations. Gains and losses are amortized over the expected average remaining service lives of the related employees.

NOTE 15 DEFINED BENEFIT PLANS (CONTINUED)

Teachers' Pension Plan (Continued)

The latest actuarial valuation was performed on August 31, 2002. This valuation was based upon economic assumptions, including a long-term rate of return on pension plan fund assets of 4.5 percent over the level of price inflation. The rate was based upon a long-term rate of return of 7.5 percent per annum and price inflation of 3.0 percent. Demographic assumptions used in the valuation reflect the experience of the plan.

The valuation indicated a deficiency of net assets over the actuarial present value of accrued benefits. The unfunded liability was extrapolated to March 31, 2003 and includes deferred adjustments. The Ministry's portion of the teachers' pension obligation is $3,964,572,000 as at March 31, 2003 (2002 - $3,890,042,000).

In the Statement of Operations, amounts for current service of $121,762,000 (2002 - $112,638,000) and amounts for the unfunded liability of $117,975,000 (2002 - $111,205,000) are reported. In addition, a provision of $74,530,000 (2002 - $57,344,000) shown as a valuation adjustment has been recorded to recognize the estimated impact on the obligation as a result of estimated changes in the value of the plan's assets and the amortization of experience gains and losses.

Section 26 of the Teachers' Pension Plan Act requires the Government to contribute towards the teachers' share of the pre-1992 unfunded liability for service credited between September 1, 2002 and August 31, 2003. A one-time contribution of $60,000,000 towards the unfunded pre-1992 pension liability was made by the Province on behalf of teachers.

Other Pension Plans

The Ministry participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $4,099,000 for the year ended March 31, 2003 (2002 - $3,420,000).

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of $301,968,000 (2001 – surplus of $5,338,000) and the Public Service Pension Plan reported an actuarial deficiency of $175,528,000 (2001 – actuarial surplus of $320,487,000). At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of $6,472,000 (2001 – actuarial deficiency of $399,000).

NOTE 15 DEFINED BENEFIT PLANS (CONTINUED)

Other Pension Plan (Continued)

The Ministry also participates in two multiemployer Long Term Disability Income Continuance Plans. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of $14,434,000 (2002 –$8,646,000) and the Management, Opted Out and Excluded Plan an actuarial deficiency of $3,053,000 (2002 – $2,656,000). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 16 COMPARATIVE FIGURES

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

NOTE 17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

MINISTRY OF LEARNING

SCHEDULES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2003

Schedule 1

Revenues	(in thousands)		
	2003		2002
	Budget	Actual	Actual
Provincial Education Property Taxes	$ 1,093,000	$ 1,112,792	$ 1,094,070
Internal Government Transfers			
Lottery Fund	84,100	84,100	52,200
Alberta Heritage Scholarship Fund	19,700	20,994	19,137
	103,800	105,094	71,337
Transfers from the Government of Canada			
Canadian Health and Social Transfers	173,292	114,270	165,758
Canada Student Loans Administration	1,044	1,080	1,078
Other	250	230	280
	174,586	115,580	167,116
Sales of Learning Resources			
Sales of Learning Resources	30,245	25,844	29,013
Premiums, Fees and Licences			
Marketing Apprenticeship	2,200	2,193	1,891
High School Transcripts	700	864	791
Teacher Certificate Fees	650	795	786
Telus Learning Connection	400	277	415
Diploma Exam Rewrite Fees	456	490	468
Trade School Licence Fee	171	138	141
International Qualifications Assessment Service	261	224	220
Other	28	66	51
	4,866	5,047	4,763
Investment Income			
Other	1,214	2,223	921
Other Revenue			
Refunds of Expenditure	1,200	3,441	4,205
Miscellaneous	1,026	156	145
	2,226	3,597	4,350
Total Revenues	$ 1,409,937	$ 1,370,177	$ 1,371,570

Schedule 2

Expenses - Directly Incurred by Object

	(in thousands)		
	2003		2002
	Budget	Actual	Actual
Grants			
School Boards (Schedule 4)	$ 2,915,529	$ 2,944,788	$ 2,838,090
Post-Secondary Institutions (Schedule 5)	1,081,558	1,075,653	1,029,240
Teachers' Pension			
Current Service and Contribution on Behalf of Teachers	118,739	181,762	112,638
Past Service	118,209	117,975	111,205
Private Schools	96,604	112,158	109,812
Learners	94,700	79,992	67,046
Provision for Future Cost of Student Loans Issued	41,400	35,967	45,970
Other	12,998	23,773	23,311
	4,479,737	4,572,068	4,337,312
Salaries, Wages and Employee Benefits	64,248	65,134	56,031
Supplies and Services	117,804	85,790	80,766
Amortization of Capital Assets	2,558	1,140	1,087
Valuation Adjustments	65,391	105,825	57,147
Other	3,982	6,082	5,747
	4,733,720	4,836,039	4,538,090
Less:			
Recoveries from Support Service Arrangements with Related Parties (a)	-	(1,990)	(1,910)
	$ 4,733,720	$ 4,834,049	$ 4,536,180

(a) The Ministry provides financial, human resource and administrative services to the Ministry of International and Intergovernmental Relations $45 (2002 - $40), the Ministry of Aboriginal Affairs and Northern Development $45 (2002 - $30), and information technology support services to the Ministry of Human Resources and Employment $1,900 (2002 - $1,840). Costs for these services are recovered from the respective ministries.

Schedule 3
Budget

(in thousands)

	2003				
	Estimates	Dedicated Revenue Shortfall	Budget	Authorized Supplementary (a)	Authorized Budget
Revenues					
Provincial Education Property Taxes	$ 1,093,000	$ -	$ 1,093,000	$ -	$ 1,093,000
Internal Government Transfers	103,800		103,800		103,800
Transfers from Government of Canada	174,586		174,586		174,586
Sales of Learning Resources	30,245		30,245		30,245
Premiums, Fees and Licences	4,866		4,866		4,866
Other Revenue	3,440		3,440		3,440
	1,409,937		1,409,937		1,409,937
Expenses - Directly Incurred					
Operating Support to Public and Separate Schools	2,940,588		2,940,588	7,000	2,947,588
Teachers' Pension	302,334		302,334	61,500	363,834
Early Childhood Services	164,225		164,225		164,225
Private School Support	60,501		60,501		60,501
Other Basic Learning Programs	36,722	(4,151)	32,571		32,571
Student Health	28,547		28,547		28,547
	3,532,917	(4,151)	3,528,766	68,500	3,597,266
Less: Tax Support to Opted-Out Separate School Boards	(152,000)		(152,000)		(152,000)
Total Ministry Support to Basic Learning	3,380,917	(4,151)	3,376,766	68,500	3,445,266
Assistance to Post Secondary Institutions	1,074,914		1,074,914		1,074,914
Support to Post Secondary Learners	140,755		140,755		140,755
Total Adult Learning Support	1,215,669		1,215,669		1,215,669
Apprenticeship Delivery	16,281		16,281		16,281
Ministry Support Services	29,530		29,530		29,530
Program Delivery Support	87,432		87,432		87,432
Total Expenses Before Debt Servicing Costs	4,729,829	(4,151)	4,725,678	68,500	4,794,178
Debt Servicing Costs	3,891		3,891		3,891
Ministry Expense	4,733,720	(4,151)	4,729,569	68,500	4,798,069
Gain (Loss) on Disposal of Capital Assets	-				
Ministry Net Operating Results	$ (3,323,783)	$ 4,151	$ (3,319,632)	$ (68,500)	$ (3,388,132)
Capital Investment	$ 4,272	$ -	$ 4,272	$ -	$ 4,272
Non-Budgetary Disbursements	$ 156,700	$ -	$ 156,700	$ -	$ 156,700

(a) Supplementary estimates were approved on December 4, 2002 and March 10, 2003.

Schedule 4
Funding Provided to School Boards

(in thousands)

	Funding Framework (a)	AISI (b)	Student Health (c)	Opted Out (d)	Ministry Total
Almadina School Society	$ 2,307	$ 56	$ -	$ -	$ 2,363
Aspen View Regional Division	23,147	453	-	-	23,600
Aurora Charter School Ltd.	1,904	13	-	-	1,917
Battle River Regional Division	45,880	896	446	-	47,222
Black Gold Regional Division	45,873	1,020	480	-	47,373
Boyle Street Service Society	1,032	26	-	-	1,058
Buffalo Trail Regional Division	30,894	563	-	-	31,457
Calgary Roman Catholic Separate School District	222,150	5,075	7,549	(66,954)	167,820
Calgary School District	521,796	11,653	-	-	533,449
Calgary Science School Society	1,566	24	-	-	1,590
Canadian Rockies Regional Division	13,134	315	-	-	13,449
Centre for Academic and Personal Excellence Institute	738	15	-	-	753
Chinook's Edge School Division	59,947	1,301	-	-	61,248
Christ the Redeemer Catholic Separate Regional Division	23,959	515	-	(2,895)	21,579
Clearview School Division	17,394	332	694	-	18,420
East Central Alberta Catholic Separate School Regional Division	15,149	414	-	(1,064)	14,499
East Central Francophone Education Region	3,931	87	-	-	4,018
Edmonton Catholic Regional Division	163,604	3,626	5,301	(37,822)	134,709
Edmonton School District	422,602	9,426	-	-	432,028
Elk Island Catholic Separate Regional Division	31,368	717	-	(4,744)	27,341
Elk Island Public Schools Regional Division	89,524	1,876	2,550	-	93,950
Evergreen Catholic Separate Regional Division	10,564	250	-	(2,237)	8,577
Foothills School Division	37,173	799	-	-	37,972
Fort McMurray Roman Catholic Separate School District	23,643	459	896	(1,284)	23,714
Fort McMurray School District	28,684	543	-	-	29,227
Fort Vermilion School Division	22,174	391	679	-	23,244
Foundations for the Future Charter Academy Charter School Society	5,445	85	181	-	5,711
Golden Hills Regional Division	36,084	762	-	-	36,846
Grande Prairie Roman Catholic Separate School District	16,753	384	1,071	(2,528)	15,680

Schedule 4

Funding Provided to School Boards

(in thousands)

	Funding Framework (a)	AISI (b)	Student Health (c)	Opted Out (d)	Ministry Total
Grande Prairie School District	30,719	651	655	-	32,025
Grande Yellowhead Regional Division	33,592	700	-	-	34,292
Grasslands Regional Division	21,575	437	982	-	22,994
Greater North Central Francophone Education Region	12,188	274	1,106	-	13,568
Greater Southern Public Francophone Education Region	3,325	58	-	-	3,383
Greater Southern Separate Catholic Francophone Education Region	3,934	174	-	-	4,108
Greater St. Albert Catholic Regional Division	38,867	891	-	-	39,758
High Prairie School Division	22,590	439	546	-	23,575
Holy Family Catholic Regional Division	13,601	273	454	(974)	13,354
Holy Spirit Roman Catholic Separate Regional Division	23,659	530	340	(5,234)	19,295
Horizon School Division	22,160	408	-	-	22,568
Lakeland Roman Catholic Separate School District	11,663	254	-	(1,186)	10,731
Lethbridge School District	43,639	953	-	-	44,592
Living Waters Catholic Regional Division	12,493	266	-	(1,668)	11,091
Livingstone Range School Division	26,019	557	-	-	26,576
Lloydminster Public School Division	10,260	237	-	(3,386)	7,111
Lloydminster Roman Catholic Separate School Division	4,902	93	-	(1,000)	3,995
Medicine Hat Catholic Separate Regional Division	14,428	293	-	(2,496)	12,225
Medicine Hat School District	33,456	746	-	-	34,202
Moberly Hall School Society	459	9	-	-	468
New Horizons Charter School Society	636	14	-	-	650
Northern Gateway Regional Division	33,662	668	-	-	34,330
Northern Lights School Division	39,016	742	-	-	39,758
Northland School Division	21,584	329	-	-	21,913
Northwest Francophone Education Region	2,563	48	-	-	2,611
Palliser Regional Division	24,095	464	-	-	24,559
Parkland School Division	52,575	1,133	-	-	53,708
Peace River School Division	23,823	433	-	-	24,256
Peace Wapiti Regional Division	36,419	1,020	-	-	37,439
Pembina Hills Regional Division	35,512	779	-	-	36,291
Prairie Land Regional Division	14,532	231	1,255	-	16,018
Prairie Rose Regional Division	27,709	438	-	-	28,147
Red Deer Catholic Regional Division	28,040	572	-	(3,703)	24,909
Red Deer School District	51,089	1,100	-	-	52,189

Schedule 4 (continued)

Funding Provided to School Boards

(in thousands)

	Funding Framework (a)	AISI (b)	Student Health (c)	Opted Out (d)	Ministry Total
Rocky View School Division	77,913	1,662	-	-	79,575
St. Albert Protestant Separate School District	33,488	761	-	(5,979)	28,270
St. Paul Education Regional Division	21,425	462	-	-	21,887
St. Thomas Aquinas Roman Catholic Separate Regional Division	11,084	257	-	(1,634)	9,707
Sturgeon School Division	28,570	903	-	-	29,473
Suzuki Charter School Society	614	12	-	-	626
Westmount Charter School Society	3,643	60	-	-	3,703
Westwind School Division	21,721	498	1,907	-	24,126
Wetaskiwin Regional Division	27,381	537	652	-	28,570
Wild Rose School Division	32,094	633	-	-	32,727
Wolf Creek School Division	45,143	935	2,543	-	48,621
	$ 2,996,279	$ 65,010	$ 30,287	$ (146,788)	$ 2,944,788

(a) Funding Framework combines the instruction and support block funding with other enrollment driven funding.

(b) The Alberta Initiative for School Improvement (AISI) provides funding, that is in addition to basic funding, to school authorities for specific local initiatives to improve student learning and performance.

(c) Student Health is a cross-government initiative. Funding is allocated to all school jurisdictions as well as funded private schools and private early childhood services operators. The funding is distributed to selected school jurisdictions who administer the program for their partners.

(d) Opted out separate school boards, which have passed a resolution pursuant to section 171(2) of the School Act, have the authority to requisition and collect from municipalities levies on their declared residential and non-residential property at a rate of not less than the provincial rate applied in that municipality. These amounts collected from municipalities are shown as a reduction to funding from the Ministry.

Schedule 5

Funding Provided to Post-Secondary Institutions

(in thousands)

	Operating and Conditional Funding	Access Fund	Faculty Retention & Equity Adjustments	Other (a)	Total
Private Colleges					
Augustana University College	$ 3,668	$ 76	$ 69	$ -	$ 3,813
Canadian University College	1,249	-	27	-	1,276
Concordia University College of Alberta	5,260	275	112	-	5,647
The King's University College	2,001	168	24	74	2,267
Technical Institutes					
Northern Alberta Institute of Technology	76,481	11,556	938	1,777	90,752
Southern Alberta Institute of Technology	67,025	8,911	830	854	77,620
Public Colleges					
Alberta College - Edmonton	748	-	-	-	748
Alberta College of Art and Design	6,809	822	85	-	7,716
Bow Valley College	13,207	856	158	527	14,748
Fairview College	12,297	84	227	547	13,155
Grande Prairie Regional College	15,033	226	189	-	15,448
Grant MacEwan College	36,996	8,340	641	3,037	49,014
Keyano College	18,046	1,077	222	-	19,345
Lakeland College	18,206	636	335	-	19,177
Lethbridge Community College	19,783	2,473	250	2,855	25,361
Medicine Hat College	13,746	981	173	212	15,112
Mount Royal College	35,941	5,896	439	297	42,573
NorQuest College	15,889	2,010	407	250	18,556
Northern Lakes College	16,317	301	192	-	16,810
Olds College	13,792	526	164	896	15,378
Portage College	12,020	398	144	177	12,739
Red Deer College	20,803	2,465	255	2,290	25,813
Universities					
Athabasca University	17,638	2,433	560	75	20,706
The University of Alberta	272,278	21,135	3,217	624	297,254
The University of Calgary	176,198	23,412	2,147	2,603	204,360
The University of Lethbridge	41,638	7,000	634	253	49,525
Banff Centre					
The Banff Centre for Continuing Education	10,520	32	122	-	10,674
Private Vocational Schools					
Columbia College	-	66	-	-	66
2002 - 2003 Totals	$ 943,589	$ 102,155	$ 12,561	$ 17,348	$ 1,075,653

(a) Other funding supports initiatives include Inmate Programs and Community Adult Learning Programs.

Schedule 6

Statement of Alberta Heritage Scholarship Fund Expenses

(Expenses in thousands)

	Actual				Cumulative	
	2003		2002		1981-2003	
	Number of Recipients	Expenses	Number of Recipients	Expenses	Number of Recipients	Expenses
Rutherford	8,417	$ 15,570	7,724	$ 13,910	120,499	$ 153,383
McKinney	921	2,293	947	2,367	18,053	47,215
Graduate Scholarships	148	1,442	150	1,458	1,560	15,030
Lougheed	15	265	15	255	466	6,444
Steinhauer	15	270	15	265	457	6,131
United World College	16	424	14	370	152	3,400
Other Heritage Scholarships	582	730	473	512	6,057	5,072
	10,114	$ 20,994	9,338	$ 19,137	147,244	$ 236,675

The Alberta Heritage Scholarship Fund is designed to reward Albertans for excellence and outstanding achievement. Alberta Heritage Scholarship Fund expenses of $20,994 are included in Support to Post Secondary Learners on the Consolidated Statement of Operations.

Schedule 7

Purchase of Capital Assets

By Type

(in thousands)

	2003		2002
	Budget	Actual	Actual
Equipment	$ 925	$ 1,395	$ 652
Computer hardware and software	3,347	4,993	2,419
	$ 4,272	$ 6,388	$ 3,071

Schedule 8

Voted Non-Budgetary Disbursements by Program

	(in thousands)		
	2003		2002
	Budget	Actual	Actual
Support for Basic Learning			
Learning Resources:			
Changes in learning resources inventory during the year	$ 1,000	$ (129)	$ 335
Support to Adult Learners			
Cost of Student Loans Issued:			
Student loans servicing cost	13,500	12,414	19,722
Remission of student loans	39,500	22,960	34,049
Student loan disbursements	102,700	88,754	82,301
	155,700	124,128	136,072
	$ 156,700	$ 123,999	$ 136,407

Non-budgetary disbursements represent changes in learning resources inventory during the year, payments made during the year which are applied against the liability for student loans, and financing of Alberta student loans.

Schedule 9

Related Party Transactions

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The following transactions with related parties are recorded at the amount of consideration agreed upon between the related parties.

	(in thousands)	
	2003	2002
Revenue		
Internal Government Transfers		
Lottery Fund	$ 84,100	$ 52,200
Alberta Heritage Scholarship Fund	20,994	19,137
	$ 105,094	$ 71,337
Expenses		
Supplies and Services from Other Ministries	$ 10,131	$ 11,001
Other Expenses - Alberta Heritage Scholarship Fund	3,280	2,000
Interest on Advances from General Revenues	2,667	3,297
	$ 16,078	$ 16,298
Capital Assets Transferred	$ -	$ 153
Interest Payable on Advances from General Revenues	$ -	$ 506
Receivable from Related Parties	$ 691	$ 62

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry receives services under contracts managed by the Ministry of Government Services (Alberta Corporate Service Centre). Any commitments under these contracts are reported by the Ministry of Government Services (Alberta Corporate Service Centre).

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 10.

	(in thousands)	
	2003	2002
Expenses - Incurred by Others		
Accommodation	$ 12,085	$ 11,231
Legal Services	751	344
	$ 12,836	$ 11,575

Schedule 10

Allocated Costs

(in thousands)

Program	2003 Expenses [1]	2003 Expenses - Incurred by Others: Accommodation Costs	2003 Expenses - Incurred by Others: Legal Services	2003 Total Expenses	2002 Total Expenses
Operating Support to Public and Separate Schools	$ 2,793,241	$ 4,871	$ -	$ 2,798,112	$ 2,696,990
Teachers' Pension	374,267	653	-	374,920	281,601
Early Childhood Services	172,022	300	-	172,322	162,960
Private School Support	67,920	118	-	68,038	66,983
Other Basic Learning Programs	30,800	54	-	30,854	34,016
Student Health	30,390	53	-	30,443	27,357
Assistance to Post Secondary Institutions	1,107,005	2,460	-	1,109,465	1,055,766
Support to Post Secondary Learners	123,670	464	-	124,134	113,519
Apprenticeship Delivery	15,774	35	-	15,809	14,479
Ministry Support Services	27,489	2,922	751	31,162	32,920
Program Delivery Support	88,804	155	-	88,959	57,867
	$ 4,831,382	$ 12,085	$ 751	$ 4,844,218	$ 4,544,458

(1) Expenses – Directly Incurred as per Statement of Operations.

DEPARTMENT OF LEARNING

FINANCIAL STATEMENTS

MARCH 31, 2003

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule 1 - Revenues

Schedule 2 - Dedicated Revenue Initiatives

Schedule 3 - Expenses – Directly Incurred Detailed by Object

Schedule 4 - Budget

Schedule 5 - Comparison by Element to Authorized Budget – Directly Incurred Expenses, Capital Investments and Non-Budgetary Disbursements

Schedule 6 - Salary and Benefits Disclosure

Schedule 7 - Related Party Transactions

Schedule 8 - Allocated Costs

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Minister of Learning

I have audited the statement of financial position of the Department of Learning as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

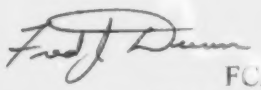
I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Department is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following accounting policy that is an exception from Canadian generally accepted accounting principles:

> The related parties disclosed by the Department include only those organizations that are part of the government reporting entity. As a result, transactions with school boards, universities, technical institutes, public colleges and The Banff Centre are not disclosed in these financial statements as transactions with related parties. Under generally accepted accounting principles, these entities are related parties of the Department, and a description of the nature of the Department's relationship with these entities should have been included in Schedule 7 (Related Party Transactions). Also, Schedule 7 has not disclosed funding provided to school boards amounting to $1.85 billion and funding provided to public post-secondary institutions amounting to $1.06 billion.

The Department's liability for student loans issued is also not in accordance with Canadian generally accepted accounting principles. This liability is an estimate of loan relief completion entitlements for students. An analysis performed by the Department indicates that the liability reported in these financial statements is overstated by $35 million. The effect of this overstatement of liabilities is to overstate provision for student loans expense by $35 million.

In my opinion, except for the effects of the matters discussed in the preceding paragraphs, these financial statements present fairly the financial position of the Department as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.



FCA
Auditor General

Edmonton, Alberta
May 23, 2003

AUDITOR GENERAL
Alberta

DEPARTMENT OF LEARNING
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003

	(in thousands)		
	2003		2002
	Budget (Schedule 4)	Actual	Actual (Restated – Note 3)
Revenues (Schedules 1 and 2)			
Internal Government Transfers	$ 103,800	$ 105,094	$ 71,337
Transfers from the Government of Canada	174,586	115,580	167,116
Investment Income	1,214	1,699	126
Premiums, Fees and Licences	4,866	5,047	4,763
Other Revenue	31,471	29,441	33,324
	315,937	256,861	276,666
Expenses - Directly Incurred			
Voted (Schedules 3 and 5):			
Ministry Support Services	29,530	27,489	29,851
Support for Basic Learning	2,155,466	2,232,349	2,059,851
Support for Adult Learning	1,123,127	1,122,993	1,070,964
Support to Adult Learners	86,897	72,569	57,879
	3,395,020	3,455,400	3,218,545
Statutory (Schedule 5):			
Alberta Heritage Scholarships	19,700	20,994	19,137
Teachers' Pensions (Note 14)	118,209	117,975	111,205
Valuation Adjustments:			
Provision for Teachers' Pension (Note 14)	65,386	74,530	57,344
Provision for Student Loans	41,400	35,967	45,970
Provision for Loan Repayable from Future Appropriations	-	30,700	-
Provision for Doubtful Accounts	5	25	57
Provision for Vacation Pay	-	570	(254)
	244,700	280,761	233,459
Total Department Expenses	3,639,720	3,736,161	3,452,004
(Gain) Loss on Disposal of Capital Assets	-	(19)	11
Net Operating Results	$ (3,323,783)	$ (3,479,281)	$ (3,175,349)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF LEARNING
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2003

	(in thousands)	
	2003	2002
		(Restated – Note 3)
Assets		
Cash	$ 3,096	$ 1,696
Accounts Receivable (Note 4)	12,282	12,252
Loans Receivable (Note 5)	77,374	38,086
Inventory	6,408	6,537
Capital Assets (Note 6)	10,704	5,456
	$ 109,864	$ 64,027
Liabilities		
Accounts Payable and Accrued Liabilities (Note 7)	$ 132,545	$ 87,641
Liability for Student Loans Issued (Note 8)	84,647	128,420
Teachers' Pension Obligation (Note 14)	3,964,572	3,890,042
	4,181,764	4,106,103
Net Liabilities		
Net Liabilities at Beginning of Year	(4,042,076)	(4,023,453)
Net Operating Results	(3,479,281)	(3,175,349)
Net Transfer from General Revenues	3,449,457	3,156,726
Net Liabilities at End of Year	(4,071,900)	(4,042,076)
	$ 109,864	$ 64,027
Net Liabilities at End of Year	$ (4,071,900)	$ (4,042,076)
Less Teachers' Pension Obligation	3,964,572	3,890,042
Net Liabilities Excluding Teachers' Pension Obligation	$ (107,328)	$ (152,034)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF LEARNING
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2003

	(in thousands)	
	2003	2002 (Restated – Note 3)
Operating Transactions		
Net Operating Results	$ (3,479,281)	$ (3,175,349)
Non-cash items		
Amortization	1,140	1,087
(Gain) Loss on Disposal of Capital Assets	(19)	11
Valuation Adjustments		
- Provision for Teachers' Pension	74,530	57,344
- Provision for Student Loans	35,967	45,970
- Provision for Loan Repayable from Future Appropriation (Note 7)	30,700	-
- Provision for Doubtful Accounts	25	57
- Provision for Vacation Pay	570	(254)
	(3,336,368)	(3,071,134)
Net Change in Liability for Student Loans Issued	(34,251)	(52,814)
(Increase) Decrease in Accounts Receivable	(55)	10,304
Decrease (Increase) in Inventory	129	(335)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	13,634	42,627
Cash Used by Operating Transactions	(3,356,911)	(3,071,352)
Investing transactions		
Net Change in Loans Receivable	(84,777)	(81,939)
Proceeds from Disposal of Capital Assets	19	-
Purchase of Capital Assets (Schedule 5)	(6,388)	(3,071)
Net Capital Assets Transferred to (from) Other Ministries	-	153
Cash Used for Investing Transactions	(91,146)	(84,857)
Financing transactions		
Net Transfer from General Revenues	3,449,457	3,156,726
Net Cash Provided (Used)	1,400	517
Cash, Beginning of Year	1,696	1,179
Cash, End of Year	$ 3,096	$ 1,696

The accompanying notes and schedules are part of these financial statements.

NOTE 1 AUTHORITY AND PURPOSE

The Department of Learning operates under the authority of the Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000. The purpose of the Department is to lead and work with stakeholders to build a globally recognized lifelong learning community that enables Albertans to be responsible, caring, self-reliant and contributing members of a knowledge-based and prosperous society.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Department of Learning, which is part of the Ministry of Learning and for which the Minister of Learning is accountable. The only other entity reporting to the Minister is the Alberta School Foundation Fund. The activities of this organization are not included in these financial statements. Activities of school boards, universities, technical institutes and public colleges, which are accountable organizations to the Minister, and the Banff Centre are reported in these statements to the extent of contributions from the Department under programs to cover the operations of these entities.

The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by the departments are paid from the Fund. Net transfer to/from General Revenues is the difference between all cash receipts and all cash disbursements made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(b) Basis of financial reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Department may, with the approval of Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Department's dedicated revenue initiatives.

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses like salaries, supplies, etc. directly incurred expenses also include:

- amortization of capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year, and additional Government contributions for service relating to prior years.

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)**

(b) Basis of financial reporting (continued)

Expenses (continued)

Directly Incurred (continued)

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, student loans, loan repayable from future appropriations and teachers' pension.

Incurred by Others

Services contributed by other entities in support of the Department operations are disclosed in Schedule 8.

Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as inventories held for resale. Inventories held for resale are valued at the lower of cost, determined on a weighted average basis, or estimated realizable value.

Loans receivable are recorded at cost net of the allowance for loan relief completion payments and the allowance for impaired loans.

Capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. All land is capitalized.

Donated capital assets are recorded at their fair value at the time of contribution.

Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end. They include the Department's obligation for future payments under the Student Loan Act for guarantees, remissions, risk premiums and interest; and the Province's share of the unfunded pension liability associated with the Teachers' Pension Plan entitlements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(b) Basis of financial reporting (continued)

Net Liabilities

Net liabilities represents the difference between the value of assets held by the Department and its liabilities.

Measurement Uncertainty

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount. The liability for student loans issued amounting to $84,647,000 (2002 - $128,420,000), the allowance for loan relief completion payments amounting to $59,934,000 (2002 - $36,859,000), the allowance for impaired loans amounting to $11,561,000 (2002 - $5,691,000) and the teachers' pension obligation amounting to $3,964,572,000 (2002 - $3,890,042,000) are subject to measurement uncertainty. The Department has made certain assumptions in the determination of the liability for student loans, such as future interest, recovery and default rates. In determining the allowance for loan relief completion payments, assumptions were made regarding the percentage of students exceeding their maximum debt limit upon completion of their studies. The Department has made certain assumptions with respect to the recovery and default rates in the determination of the allowance for impaired loans. Changes in these assumptions could materially impact the liability for student loans issued, the allowance for loan relief completion payments and the allowance for impaired loans.

The measurement uncertainty for teachers' pension obligation arises because actual experience may vary from the assumptions used in the calculation. Actual amounts paid may vary significantly from the estimates.

Note 8 discloses information on the liability for student loans issued and Note 14 discloses information on the teachers' pension plan.

NOTE 3 PROGRAM TRANSFER

Effective April 1, 2002, the operations and maintenance of school facilities was transferred to the Ministry of Infrastructure. Comparative expenses have been reduced and the comparative net transfer from General Revenues has been reduced by $309,084,000 to reflect this transfer of responsibility.

NOTE 4 ACCOUNTS RECEIVABLE

	(in thousands)	
	2003	2002
Government of Canada	$ 9,295	$ 10,163
School Boards	945	1,487
Accrued Interest Receivable on Loans	360	82
Other	1,682	520
	$ 12,282	$ 12,252

Accounts receivable are non-interest bearing, unsecured and reported at their net realizable value.

NOTE 5 LOANS RECEIVABLE

	(in thousands)	
	2003	2002
Loans Receivable	$ 148,869	$ 80,636
Less:		
Allowance for Impaired Loans	(11,561)	(5,691)
Allowance for Loan Relief		
Completion Payments	(59,934)	(36,859)
	$ 77,374	$ 38,086

Effective August 2001, under the terms of the Alberta Student Loan Program, loans are provided by the Department to qualifying students at interest rates prescribed by the Minister of Learning.

Loans receivable are stated at cost net of the allowance for loan relief completion payments and the allowance for impaired loans. Loan relief completion payments on Alberta Student Loans are available to students who complete their studies and have assumed a total combined indebtedness of Canada and Alberta Student Loans exceeding established debt limits.

Loans receivable are classified as impaired when:

- there is no longer reasonable assurance as to the timely collection of the full amount of principal or interest, or
- the borrower has failed to make payments for a period of 150 days, or
- interest is owing to the Province for a period of 180 days.

The allowance for impaired loans is a general provision that estimates the amount of loans receivable that will be impaired. The key assumptions used to determine this provision are default rates and recovery rates in conjunction with changing economic circumstances.

NOTE 5 LOANS RECEIVABLE (CONTINUED)

Loans receivable and interest become payable by students when students discontinue their studies or graduate. Loans receivable bear interest at either a fixed rate of prime plus 5% or floating rate based on prime plus 2.5% and are repayable to a maximum term of 114 months. When loans receivable are classified as impaired, interest ceases to accrue. Loans receivable are unsecured.

NOTE 6 CAPITAL ASSETS

(in thousands)

		2003			2002
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment (a)	3-10 years	$ 3,386	$ 1,280	$ 2,106	$ 834
Computer Hardware and Software	5 years	21,988	13,390	8,598	4,622
		$ 25,374	$ 14,670	$ 10,704	$ 5,456

(a) Equipment includes office equipment and furniture.

NOTE 7 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

		2003	2002
Accounts Payable		$ 14,690	$ 10,132
Accrued Liabilities	- vacation	6,010	5,440
	- other	24,128	45,200
	- University of Calgary (a)	30,700	-
Advances from Government of Canada		56,119	26,139
Unearned Revenue		898	730
		$ 132,545	$ 87,641

(a) The Department has agreed to repay the $30,700,000 loan for a research facility for the University of Calgary. A provision for a loan repayable from future appropriations equivalent to this amount has also been recorded.

NOTE 8 LIABILITY FOR STUDENT LOANS ISSUED

(in thousands)

	2003	2002
Loan Relief Completion Payments (a)	$ 62,452	$ 90,872
Interest (b)	11,780	21,451
Guarantees (net of estimated recoveries) (c)	7,531	10,970
Risk Premium (d)	2,884	5,127
	$ 84,647	$ 128,420

Prior to August 2001, financial institutions issued loans under guaranteed and non-guaranteed risk share initiatives to Alberta students.

NOTE 8 LIABILITY FOR STUDENT LOANS ISSUED (CONTINUED)

As at March 31, 2003, the outstanding Alberta Student Loans issued by the financial institutions to Alberta students amounted to $301 million (2002 - $371 million). The Government fully guarantees $58 million (2002 - $80 million) of these outstanding loans. The authorized guarantee limit set by Order in Council for loans issued under the Student Loan Act is $400 million.

These student loans result in a liability to the government for loan relief completion payments, interest, guarantees and risk premium. This liability is recognized in the year the financial institutions issue loans and is re-evaluated each year to reflect changes in assumptions or new information.

(a) Loan relief completion payments are payable on Alberta Student Loans when a students' combined indebtedness of Canada and Alberta Student Loans exceeds established debt limits. In determining the liability for loan relief completion payments, assumptions were made regarding the percentage of students exceeding their maximum debt limit upon completion of their studies. Changes in these assumptions could materially impact the calculation of the liability for loan relief completion payments.

(b) Interest is paid at a variable rate based on prime on Alberta Student Loans while the students are in school. Interest relief is provided to students who have completed their studies and who meet certain requirements whereby the Government pays all or a portion of the interest on the Alberta Student Loan. Changes in assumptions regarding future interest rates will impact the liability for interest. The impact of a 1% interest rate change on the interest liability is estimated to be $1,705,000.

(c) The liability for guarantees is an estimate of the amount of guaranteed Alberta Student Loans which will go into default, less the amount that will subsequently be recovered from students. The key assumptions used to determine this liability are the default and recovery rates.

(d) A risk premium of either 5% or 8% on Alberta Student Loans is paid to the respective financial institutions six months after students complete their studies. This premium eliminates the need for the government to provide further loan guarantees to financial institutions.

NOTE 9 VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable, and accrued liabilities are estimated to approximate their carrying values.

NOTE 10 COMMITMENTS

As at March 31, 2003, the Department has $14,634,000 (2002 - $9,562,000) in commitments relating to service and grant contracts. The Department has approved $3,037,000 (2002 - $4,931,000) of loans to students which have not been cashed by students as at March 31, 2003.

NOTE 11 CONTINGENCIES

The Department has entered into indemnity agreements with school jurisdictions that have been named in residential school claims. The resulting loss, if any, from these indemnity agreements cannot be determined.

At March 31, 2003, the Department is a defendant in four legal claims (2002 – four legal claims). Two of these claims have specified amounts totaling $1,350,000 and the remaining two have not specified any amount. The resulting loss, if any, from these claims cannot be determined.

NOTE 12 TRUST FUNDS UNDER ADMINISTRATION

The Department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Department's financial statements.

At March 31, 2003, trust funds under administration were as follows:

	(in thousands)			
	2003			2002
	Total Assets	Total Liabilities	Net Assets (Net Liabilities)	Net Assets (Net Liabilities)
Department of Learning General Trust	$ 290	$ 290	$ -	$ -
Department of Learning Endowment Fund	171	-	171	170
Teachers' Pension Plan Funds	2,583,000	8,459,000	(5,876,000)	(4,833,000)
Mildred Rowe Weston Estate Trust	76	-	76	77
	$ 2,583,537	$ 8,459,290	$(5,875,753)	$ (4,832,753)

NOTE 13 PAYMENTS UNDER AGREEMENT

The Department has entered into several agreements to deliver programs on behalf of third parties which include the Government of Canada. Costs incurred under these agreements are made by the Department under authority of the Financial Administration Act, Section 25. Accounts receivable includes $8,002,000 (2002 - $8,056,000) and accounts payable and accrued liabilities includes $3,818,000 (2002 - $7,503,000) relating to payments under agreement.

NOTE 13 PAYMENTS UNDER AGREEMENT (CONTINUED)

Amounts paid and payable under agreements on behalf of third parties are as follows:

	(in thousands)	
	2003	2002
Canadian Millennium Scholarship Foundation		
Canadian Millennium Scholarships	$ 26,621	$ 22,215
Government of Canada		
Canada Study Grants	8,885	8,267
Immigration Settlement Services	-	55
Faculte St. Jean Construction and Fellowships	-	277
French Minority Language Education and French Second Language Instruction	9,165	11,823
South Africa Teacher Development Program	717	1,000
Interprovincial Computerized Exam Management System	68	130
Alberta School Boards		
International Student Program	-	30
Western Provinces		
French Math Resources	200	749
	$ 45,656	$ 44,546

NOTE 14 DEFINED BENEFIT PLANS

Teachers' Pension Plan

The Alberta Teachers' Retirement Fund Board is a trustee and administrator of the Teachers' Pension Plan. The Alberta Teachers' Retirement Fund Board operates under the authority of the Teachers' Pension Plans Act. The Act requires all teachers under contract with public and separate school jurisdictions in Alberta to contribute to the Teachers' Pension Plan.

Under the Teachers' Pension Plans Act, the unfunded liability for service credited prior to September 1, 1992 is being financed by additional contributions in the ratio of 67.35 percent by the Province and 32.65 percent by the teachers over the period ending August 31, 2060. In addition, for service after August 1992, the Province funds 50 percent of the post- 1992 unfunded liability, any current service costs and related actuarial adjustments, including certain cost-of-living benefits. The Act provides that payment of all benefits prior to September 1, 1992 is guaranteed by the Province.

The teachers' pension obligation is based upon actuarial valuations performed at least triennially using the projected benefit method prorated on services. The assumptions used in the valuation are adopted after consultations between the pension plan board, the government and the actuaries, and represent best estimates of future events. The plan's

NOTE 14 DEFINED BENEFIT PLANS (CONTINUED)

future experience will inevitably vary, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations. Gains and losses are amortized over the expected average remaining service lives of the related employees.

The latest actuarial valuation was performed on August 31, 2002. This valuation was based upon economic assumptions, including a long-term rate of return on pension plan fund assets of 4.5 percent over the level of price inflation. The rate was based upon a long-term rate of return of 7.5 percent per annum and price inflation of 3.0 percent. Demographic assumptions used in the valuation reflect the experience of the plan.

The valuation indicated a deficiency of net assets over the actuarial present value of accrued benefits. The unfunded liability was extrapolated to March 31, 2003 and includes deferred adjustments. The Department's portion of the teachers' pension obligation is $3,964,572,000 as at March 31, 2003 (2002 - $3,890,042,000).

In the Statement of Operations, amounts for current service of $121,762,000 (2002 - $112,638,000) are included in voted expenses while amounts for the unfunded liability of $117,975,000 (2002 - $111,205,000) are shown as statutory expenses. In addition, a provision of $74,530,000 (2002 - $57,344,000) shown as a valuation adjustment has been recorded to recognize the estimated impact on the obligation as a result of estimated changes in the value of the plan's assets and the amortization of experience gains and losses.

Section 26 of the Teachers' Pension Plan Act requires the Government to contribute towards the teachers' share of the pre-1992 unfunded liability for service credited between September 1, 2002 and August 31, 2003. A one-time contribution of $60,000,000 towards the unfunded pre-1992 pension liability was made by the province on behalf of teachers.

Other Pension Plans

The Department participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $4,099,000 for the year ended March 31, 2003 (2002 - $3,420,000).

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of $301,968,000 (2001 – surplus of $5,338,000) and the Public Service Pension Plan reported an actuarial deficiency of $175,528,000 (2001 – actuarial surplus of $320,487,000). At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of $6,472,000 (2001 – actuarial deficiency of $399,000).

NOTE 14 DEFINED BENEFIT PLANS (CONTINUED)

The Department also participates in two multiemployer Long Term Disability Income Continuance Plans. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of $14,434,000 (2002 - $8,646,000) and the Management, Opted Out and Excluded Plan an actuarial deficiency of $3,053,000 (2002 - $2,656,000). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 15 COMPARATIVE FIGURES

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

NOTE 16 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

DEPARTMENT OF LEARNING
SCHEDULES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2003

Schedule 1

Revenues

	(in thousands)		
	2003		2002
	Budget	Actual	Actual
Internal Government Transfers			
Lottery Fund	$ 84,100	$ 84,100	$ 52,200
Alberta Heritage Scholarship Fund	19,700	20,994	19,137
	103,800	105,094	71,337
Transfers from the Government of Canada			
Canadian Health and Social Transfers	173,292	114,270	165,758
Canada Student Loans Administration	1,044	1,080	1,078
Other	250	230	280
	174,586	115,580	167,116
Investment Income	1,214	1,699	126
Premiums, Fees and Licences			
Marketing Apprenticeship	2,200	2,193	1,891
High School Transcripts	700	864	791
Teacher Certificate Fees	650	795	786
Telus Learning Connection	400	277	415
Diploma Exam Rewrite Fees	456	490	468
Trade School Licence Fee	171	138	141
International Qualifications Assessment Service	261	224	220
Other	28	66	51
	4,866	5,047	4,763
Other Revenue			
Sales of Learning Resources	30,245	25,844	29,013
Refunds of Expenditure	1,200	3,441	4,205
Miscellaneous	26	156	106
	31,471	29,441	33,324
	$ 315,937	$ 256,861	$ 276,666

Schedule 2

Dedicated Revenue Initiatives

	(in thousands)		
	2003		
	Estimates	Actual Dedicated Revenues	(Shortfall) Excess
Ministry Support Services			
Information and Strategic Services (a)	$ 1,100	$1,141	$ 41
Support for Basic Learning			
Program Delivery Support (b)	1,106	1,285	179
Learning Resources Centre (c)	30,245	25,844	(4,401)
Support for Adult Learning			
Marketing Apprenticeship (d)	2,200	2,193	(7)
Support to Adult Learners			
Program Delivery Support (e)	1,294	1,331	37
	$ 35,945	$ 31,794	[1] $ (4,151)

[1] The dedicated revenue shortfall is deducted from the current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

The revenue of each dedicated revenue initiative is included in the Department's revenue.

(a) The Information and Strategic Services dedicated revenues are fees collected for the delivery of high school transcripts and copyrights. Also included in this initiative is the Telus learning connection project which represents a partnership with the Department and several stakeholders to provide teachers and students with Internet access and computer training.

(b) The Basic Learning program delivery support dedicated revenues include fees collected from students writing diploma examinations for the second or subsequent time. Dedicated revenues also include fees collected for teacher certification and development.

(c) Learning Resources Centre generates dedicated revenue from the sale and distribution of learning and teaching resources that have been purchased directly from publishers or developed and published by Alberta Learning.

(d) Marketing Apprenticeship dedicated revenues are fees to offset the costs of marketing programs and services which include training, promotion, and certification, and to offset the costs associated with the delivery of services such as the Prior Learning Assessments, Qualification Certificate Program, and the Equivalency Program.

(e) The Support to Adult Learners program delivery support dedicated revenues are amounts received from the Government of Canada and the Canadian Millennium Scholarship Foundation to administer the Canada Student Loans, Grants and the Millennium Scholarship program.

Schedule 3

Expenses - Directly Incurred Detailed by Object

	(in thousands)		
	2003		2002
	Budget	Actual	Actual
Voted:			
Grants			
School Boards	$ 1,825,420	$ 1,849,567	$ 1,757,211
Post-Secondary Institutions	1,081,558	1,075,653	1,029,240
Teachers' Pension - Current Service and Contribution on Behalf of Teachers	118,739	181,762	112,638
Private Schools	96,604	112,158	109,812
Learners	75,000	58,998	47,909
Other	12,998	23,773	23,311
	3,210,319	3,301,911	3,080,121
Salaries, Wages and Employee Benefits	64,248	65,134	56,031
Supplies and Services	117,804	85,790	80,766
Amortization of Capital Assets	2,558	1,140	1,087
Other	91	3,415	2,450
	3,395,020	3,457,390	3,220,455
Less:			
Recoveries from Support Service Arrangements with Related Parties (a)	-	(1,990)	(1,910)
Total Voted Expenses	$ 3,395,020	$ 3,455,400	$ 3,218,545
Statutory:			
Grants			
Alberta Heritage Scholarships	19,700	20,994	19,137
Teachers' Pension - Past Service	118,209	117,975	111,205
Valuation Adjustments			
Provision for Teachers' Pension	65,386	74,530	57,344
Provision for Future Cost of Student Loans	41,400	35,967	45,970
Provision for Loan Repayable from Future Appropriation	-	30,700	-
Provision for Doubtful Accounts	5	25	57
Provision for Vacation Pay	-	570	(254)
	$ 244,700	$ 280,761	$ 233,459

(a) The Department provides financial, human resource, and administrative services to the Ministry of International and Intergovernmental Relations $45 (2002 - $40), the Ministry of Aboriginal Affairs and Northern Development $45 (2002 - $30), and information technology support services to the Ministry of Human Resources and Employment $1,900 (2002 - $1,840). Costs for these services are recovered from the respective ministries.

Schedule 4

Budget

(in thousands)

	2003				
	Estimates	Adjustment (a)	Budget	Authorized Supplementary (b)	Authorized Budget
Revenues					
Internal Government Transfers	$ 103,800	$ -	$ 103,800	$ -	$ 103,800
Transfers from the Government of Canada	174,586		174,586		174,586
Investment Income	1,214		1,214		1,214
Premiums, Fees and Licences	4,866		4,866		4,866
Other Revenue	31,471		31,471		31,471
	315,937		315,937		315,937
Expenses – Directly Incurred					
Voted Expenses					
Ministry Support Services	29,530		29,530		29,530
Support for Basic Learning	2,155,466	(4,151)	2,151,315	68,500	2,219,815
Support for Adult Learning	1,123,127		1,123,127		1,123,127
Support to Adult Learners	86,897		86,897		86,897
	3,395,020	(4,151)	3,390,869	68,500	3,459,369
Statutory Expenses					
Alberta Heritage Scholarships	19,700		19,700		19,700
Teachers' Pension	118,209		118,209		118,209
Valuation Adjustments					
Provision for Teachers' Pension	65,386		65,386		65,386
Provision for Student Loans	41,400		41,400		41,400
Provision for Loan Repayment from Future Appropriation	-		-		-
Provision for Doubtful Accounts	5		5		5
Provision for Vacation Pay	-		-		-
	244,700		244,700		244,700
Total Expenses	3,639,720	(4,151)	3,635,569	68,500	3,704,069
Net Operating Results	$ (3,323,783)	$ 4,151	$ (3,319,632)	$ (68,500)	$ (3,388,132)
Capital Investment	$ 4,272	$ -	$ 4,272	$ -	$ 4,272
Non-Budgetary Disbursements	$ 156,700	$ -	$ 156,700	$ -	$ 156,700

(a) Adjustment represents a dedicated revenue shortfall. See Schedule 2.
(b) Supplementary Estimates were approved on December 4, 2002 and March 10, 2003.

Schedule 5

Comparison by Element to Authorized Budget - Directly Incurred Expenses, Capital Investments and Non-Budgetary Disbursements

(in thousands)

	2002-2003 Estimates	Authorized Supplementary (a)	2002-2003 Authorized Budget	2002-2003 Actual Expense (b)	Unexpended (Over-expended)
Voted Operating Expenses					
Ministry Support Services					
1.1 Ministry Support Services					
1.01 Minister's Office	$ 340	$ -	$ 340	$ 345	$ (5)
1.02 Minister's Committees	212	-	212	172	40
1.03 Deputy Minister's Office	419	-	419	444	(25)
1.04 Finance and Administrative Services					
- Operating Expense	6,261	-	6,261	5,767	494
- Capital Investment	-	-	-	48	(48)
1.05 Human Resource Services	2,842	-	2,842	3,315	(473)
1.06 Legislative Services and Freedom of Information	771	-	771	920	(149)
1.07 Information and Strategic Services					
- Operating Expense	14,918	-	14,918	14,182	736
- Capital Investment	917	-	917	1,038	(121)
1.08 Administrative Systems Support	2,247	-	2,247	927	1,320
1.09 Communications	538	-	538	524	14
1.10 Amortization of Capital Assets	885	-	885	783	102
1.11 Standing Policy Committee on Learning and Employment	97	-	97	110	(13)
Total Ministry Support Services	**30,447**	**-**	**30,447**	**28,575**	**1,872**
Support for Basic Learning					
2.1 Program Delivery					
2.1.1 Program Delivery Support	48,253	-	48,253	51,435	(3,182)
	48,253	-	48,253	51,435	(3,182)
2.2 Public and Separate School Support					
2.2.1 Operating Support for Basic Education					
- Operating Expense	1,644,479	7,000	1,651,479	1,644,020	7,459
- Operating Expense Funded by Lotteries	54,000	-	54,000	54,000	-
2.2.2 Teachers' Pension - Current Service Payment	118,739	1,500	120,239	121,762	(1,523)
2.2.3 Teachers' Pension – Special Payment	-	60,000	60,000	60,000	-
	1,817,218	68,500	1,885,718	1,879,782	5,936
2.3 Early Childhood Services Support					
2.3.1 Public and Separate	128,122	-	128,122	128,974	(852)
2.3.2 Private School	13,136	-	13,136	14,247	(1,111)
2.3.3 Private Operator	22,967	-	22,967	28,801	(5,834)
	164,225	-	164,225	172,022	(7,797)

Comparison by Element to Authorized Budget - Directly Incurred Expenses, Capital Investments and Non-Budgetary Disbursements (Continued)

(in thousands)

	2002-2003 Estimates	Authorized Supplementary (a)	2002-2003 Authorized Budget	2002-2003 Actual Expense (b)	Unexpended (Over-expended)
2.4 Private School Support					
2.4.1 Instruction Grants	60,501	-	60,501	67,920	(7,419)
	60,501	-	60,501	67,920	(7,419)
2.5 Other Basic Learning Programs					
2.5.1 Learning Resources Subsidy	7,102	-	7,102	6,246	856
2.5.2 Learning Resources Centre					
- Operating Expense	29,320	-	29,320	24,295	5,025
- Capital Investment	925	-	925	1,434	(509)
- Dedicated Revenue Shortfall (Schedule 2)	(4,151)	-	(4,151)	-	(4,151)
2.5.3 Amortization of Capital Assets	300	-	300	259	41
	33,496	-	33,496	32,234	1,262
2.6 Student Health Services					
2.6.1 Student Health Services	28,547	-	28,547	30,390	(1,843)
	28,547	-	28,547	30,390	(1,843)
Total Support for Basic Learning	**2,152,240**	**68,500**	**2,220,740**	**2,233,783**	**(13,043)**
Support for Adult Learning					
3.1 Program Support					
3.1.1 Program Delivery Support	3,023	-	3,023	3,092	(69)
3.1.2 Community Education		-			
- Operating Expense	708	-	708	910	(202)
- Operating Expense Funded by Lotteries	18,900	-	18,900	18,900	-
3.1.3 Learning Television					
- Operating Expense	254	-	254	-	254
- Operating Expense Funded by Lotteries	8,100	-	8,100	7,010	1,090
3.1.4 Other Program Support	12,381	-	12,381	12,295	86
3.1.5 International Qualifications Assessment	484	-	484	546	(62)
	43,850	-	43,850	42,753	1,097
3.2 Grants to Post Secondary Institutions					
3.2.1 Private University-Colleges	11,736	-	11,736	11,796	(60)
3.2.2 Technical Institutes	138,984	-	138,984	138,902	82
3.2.3 Public Colleges	260,587	-	260,587	260,958	(371)
3.2.4 Universities	490,758	-	490,758	491,433	(675)
3.2.5 Banff Centre	10,213	-	10,213	10,213	-
3.2.6 Equity Adjustments	3,755		3,755	1,208	2,547
3.2.7 Inter-Jurisdiction Programs	5,264	-	5,264	5,204	60
	921,297	-	921,297	919,714	1,583

Comparison by Element to Authorized Budget - Directly Incurred Expenses, Capital Investments and Non-Budgetary Disbursements (Continued)

(in thousands)

	2002-2003 Estimates	Authorized Supplementary (a)	2002-2003 Authorized Budget	2002-2003 Actual Expense (b)	Unexpended (Over-expended)
3.3 Funding Envelopes					
3.3.1 Funding Envelopes Delivery Support	463	-	463	457	6
3.3.2 Access Fund	99,992	-	99,992	102,656	(2,664)
3.3.3 Faculty Retention	11,918	-	11,918	11,353	565
3.3.4 Operating Grant Adjustments	29,326	-	29,326	30,286	(960)
	141,699	-	141,699	144,752	(3,053)
3.4 Apprenticeship and Industry Training					
3.4.1 Apprenticeship Delivery Support					
- Operating Expense	13,645	-	13,645	13,564	81
- Capital Investment	430	-	430	2,306	(1,876)
3.4.2 Marketing Apprenticeship	2,200	-	2,200	2,191	9
3.4.3 Amortization of Capital Assets	436	-	436	19	417
	16,711	-	16,711	18,080	(1,369)
Total Support for Adult Learning	**1,123,557**	**-**	**1,123,557**	**1,125,299**	**(1,742)**
Support to Adult Learners					
4.1 Program Delivery					
4.1.1 Program Delivery Support					
- Operating Expense	6,310	-	6,310	6,376	(66)
- Capital Investment	2,000	-	2,000	1,562	438
4.1.2 Program Systems Support	4,650		4,650	7,122	(2,472)
4.1.3 Amortization of Capital Assets	937	-	937	79	858
	13,897	-	13,897	15,139	(1,242)
4.2 Assistance for Learners					
4.2.1 Maintenance Grants	10,700	-	10,700	6,982	3,718
4.2.2 Special Needs Bursaries	1,600	-	1,600	958	642
4.2.3 Alberta Opportunities Bursary	14,500	-	14,500	10,746	3,754
4.2.4 Achievement Scholarships					
- Operating Expense	9,500	-	9,500	10,452	(952)
- Operating Expense Funded by Lotteries	3,100	-	3,100	3,100	-
4.2.5 Student Loan Relief - Benefit	35,600	-	35,600	26,754	8,846
	75,000	-	75,000	58,992	16,008
Total Support for Adult Learners	**88,897**	**-**	**88,897**	**74,131**	**14,766**
Total Voted Expenses	**$ 3,395,141**	**$ 68,500**	**$ 3,463,641**	**$ 3,461,788**	**$ 1,853**

Comparison by Element to Authorized Budget - Directly Incurred Expenses, Capital Investments and Non-Budgetary Disbursements (Continued)

(in thousands)

	2002-2003 Budget	Authorized Supplementary (a)	2002-2003 Authorized Budget	2002-2003 Actual Expense (b)	Unexpended (Over-expended)
Voted Expenses					
Program Operating Expenses	$ 3,306,769	$ 68,500	$ 3,375,269	$3,372,390	$ 2,879
Program Operating Expenses Funded by Lotteries	84,100		84,100	83,010	1,090
Program Capital Investment	4,272	-	4,272	6,388	(2,116)
Total Voted Expenses	**$ 3,395,141**	**$ 68,500**	**$ 3,463,641**	**$3,461,788**	**$ 1,853**
Statutory Expenses					
Alberta Heritage Scholarships	$ 19,700	-	$ 19,700	20,994	(1,294)
Teachers' Pensions	118,209	-	118,209	117,975	234
Valuation Adjustment					
Provision for Teachers' Pension	65,386	-	65,386	74,530	(9,144)
Provision for Student Loans	41,400	-	41,400	35,967	5,433
Provision for Loan Repayable from Future Appropriation	-	-	-	30,700	(30,700)
Provision for Doubtful Accounts	5	-	5	25	(20)
Provision for Vacation Pay	-	-	-	570	(570)
Total Statutory Expenses	**$ 244,700**	**$ -**	**$ 244,700**	**$ 280,761**	**$ (36,061)**
Non-Budgetary Disbursements by Program					
Support for Basic Learning					
Learning Resources:					
Changes in Learning Resources Inventory during the year	$ 1,000	$ -	$ 1,000	$ (129)	$ 1,129
Support to Adult Learners:					
Student Loans Servicing Cost	13,500	-	13,500	12,414	1,086
Student Loan Relief Completion Payments	39,500	-	39,500	22,960	16,540
Student Loan Disbursements	102,700	-	102,700	88,754	13,946
	155,700	-	155,700	124,128	31,572
Total Non-Budgetary Disbursements	**$ 156,700**	**$ -**	**$ 156,700**	**$ 123,999**	**$ 32,701**

(a) Supplementary estimates were approved on December 4, 2002 and March 10, 2003

(b) Includes achievement bonuses of $1,910.

Schedule 6

Salary and Benefits Disclosure

	2003			2002
	Salary [1]	Benefits and Allowances [2]	Total	Total
Deputy Minister [3][4]	$ 189,016	$ 54,662	$ 243,678	$ 255,971
Executives:				
Assistant Deputy Minister Basic Learning Division [5]	134,338	29,710	164,048	137,575
Assistant Deputy Minister Adult Learning Division	139,610	33,555	173,165	141,112
Assistant Deputy Minister Information and Strategic Services Division	141,891	35,098	176,989	144,269
Assistant Deputy Minister Corporate Services Division [5]	140,073	34,677	174,750	146,349
Assistant Deputy Minister System Improvement and Reporting Division	139,633	34,477	174,110	141,601
Executive Director Apprenticeship and Industry Training Division	128,981	29,500	158,481	120,733
	$1,013,542	$ 251,679	$ 1,265,221	$ 1,087,610

Total salary and benefits relating to a position are disclosed.

(1) Salary includes regular base pay, bonuses, overtime and lump sum payments.
(2) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.
(3) Automobile provided, no dollar amount included in benefits and allowances figures.
(4) This position was occupied by two individuals in 2002. The former Deputy Minister received a vacation payout of $25,926 in 2002.
(5) Benefits and allowances includes vacation payments to the Assistant Deputy Minister – Basic Learning Division of $6,527 (2002 -$0) and to the Assistant Deputy Minister – Corporate Services Division of $0 (2002 - $4,278).

Schedule 7

Related Party Transactions

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties.

	(in thousands)	
	2003	2002
Revenues		
Internal Government Transfers		
Lottery Fund	$ 84,100	$ 52,200
Alberta Heritage Scholarship Fund	20,994	19,137
	$ 105,094	$ 71,337
Expenses - Directly Incurred		
Alberta Heritage Scholarship Fund	$ 3,280	$ 2,000
Supplies and Services from Other Ministries	$ 10,131	$ 11,001
Capital Assets Transferred to (from) Other Ministries	$ -	$ 153
Receivable from Related Parties	$ 691	$ 62

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Department receives services under contracts managed by the Ministry of Government Services (Alberta Corporate Service Centre). Any commitments under these contracts are reported by the Ministry of Government Services (Alberta Corporate Service Centre).

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 8.

	(in thousands)	
	2003	2002
Expenses - Incurred by Others		
Accommodation	$ 12,085	$ 11,231
Legal Services	751	344
	$ 12,836	$ 11,575

Schedule 8

Allocated Costs

(in thousands)

Program	2003 Expenses [1]	Expenses - Incurred by Others: Accommodation Costs	Expenses - Incurred by Others: Legal Services	Valuation Adjustments: Vacation Pay	Valuation Adjustments: Doubtful Accounts	Valuation Adjustments: Teachers' Pension	Valuation Adjustments: Provision for Student Loans	Valuation Adjustments: Provision for Loan Repayable from Future Appropriations	2003 Total Expenses	2002 Total Expenses
Ministry Support Services	$ 27,489	$ 2,922	$ 751	$ 109	$ -	$ -	$ -	$ -	$ 31,271	$ 32,871
Support for Basic Learning	2,350,324	6,204		272	25	74,530	-	-	2,431,355	2,233,678
Support for Adult Learning	1,122,993	2,495		132	-	-		30,700	1,156,320	1,073,560
Support to Adult Learners	93,563	464		57	-	-	35,967	-	130,051	123,470
	$ 3,594,369	$ 12,085	$ 751	$ 570	$ 25	$ 74,530	$ 35,967	$ 30,700	$ 3,748,997	$ 3,463,579

(1) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments. Support for Basic Learning includes teachers' pension contributions for past service. Support to Adult Learners includes Alberta Heritage Scholarship Fund scholarships.

ALBERTA SCHOOL FOUNDATION FUND

FINANCIAL STATEMENTS

MARCH 31, 2003

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Minister of Learning

I have audited the statement of financial position of the Alberta School Foundation Fund as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Fund is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following that is an exception from Canadian generally accepted accounting principles. School boards, including opted out separate school boards, are related parties of the Fund since the Minister of Learning controls the boards and the Fund. Under Canadian generally accepted accounting principles, the relationship between the Fund and school boards must be described along with the transactions between the Fund and the school boards. The notes to the financial statements have not disclosed advances to opted out boards during the year in the amount of $147 million. The terms of these transactions are that the Fund makes monthly advances to opted out boards and the boards repay the advances to the Fund without interest at the end of each quarter when they receive school property taxes directly from the municipalities in which they reside.

In my opinion, except for the failure to properly disclose related party transactions as described above, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J. Dunn
FCA
Auditor General

Edmonton, Alberta
May 23, 2003

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003

	(in thousands)		
	2003		2002
	Budget (Note 7)	Actual	Actual
Revenues			
School Property Taxes	$ 1,093,000	$ 1,112,792	$ 1,094,070
Investment Income	1,000	524	834
	1,094,000	1,113,316	1,094,904
Expenses			
Payments to School Boards	1,090,109	1,095,221	1,080,879
Interest	3,891	2,667	3,297
	1,094,000	1,097,888	1,084,176
Net Operating Results	$ -	$ 15,428	$ 10,728

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2003

	(in thousands)	
	2003	2002
Assets		
Cash (Note 3)	$ 52,624	$ 42,086
Requisitions Receivable	27,945	14,096
Receivables from School Boards	64	15,366
	$ 80,633	$ 71,548
Liabilities		
Accrued Liabilities	$ 6,214	$ -
Allowance for Assessment Adjustments and Appeals	2,630	21,000
Unearned Revenue	6,319	-
Interest Payable on Advances from General Revenues (Notes 4 and 5)	-	506
	15,163	21,506
Net Assets		
Net Assets, Beginning of Year	50,042	39,314
Net Operating Results	15,428	10,728
Net Assets, End of Year	65,470	50,042
	$ 80,633	$ 71,548

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2003

	(in thousands)	
	2003	2002
Operating Transactions		
Net Operating Results	$ 15,428	$ 10,728
(Increase) Decrease in Requisitions Receivable	(13,849)	(12,484)
Decrease (Increase) in Receivables from School Boards	15,302	(15,366)
Increase (Decrease) in Accrued Liabilities	6,214	(729)
(Decrease) Increase in Interest Payable	(506)	(387)
Increase (Decrease) in Unearned Revenue	6,319	(30,920)
(Decrease) Increase in Allowance for Assessment Adjustments and Appeals	(18,370)	(18,062)
Net Cash Provided (Used)	10,538	(67,220)
Cash at Beginning of Year	42,086	109,306
Cash at End of Year	$ 52,624	$ 42,086

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2003

NOTE 1 AUTHORITY AND PURPOSE

The Alberta School Foundation Fund (the Fund) operates under the authority of the School Act, Revised Statutes of Alberta 2000, chapter S-3.

The Fund makes requisitions to municipalities based on the equalized assessment of real property in Alberta and mill rates established by the Lieutenant Governor in Council. The purpose of the Fund is to provide funding to school boards that is based on an equal amount per eligible student.

NOTE 2 SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government.

(a) Reporting Entity

The reporting entity is the Alberta School Foundation Fund, which is part of the Ministry of Learning and for which the Minister of Learning is accountable. The other entity reporting to the Minister is the Department of Learning. The activities of this organization are not included in these financial statements.

The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

Opted out separate school boards, which have passed a resolution pursuant to section 171(2) of the School Act, have the authority to requisition and collect from municipalities levies on their declared residential and non-residential property at a rate of not less than the provincial rate applied in that municipality. These amounts are not reflected in these financial statements. However, these financial statements include payments of $151,247,000 (2002 - $136,534,000) to opted out separate school boards to increase their funding to a level the boards would otherwise receive if participating fully in the Alberta School Foundation Fund.

NOTE 2 SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (CONTINUED)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Expenses

Expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the government's budget documents.

Assets

Financial assets of the Fund includes financial claims such as receivables from school boards and requisitions receivable. The fair values of the financial assets are estimated to approximate their book values. Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Liabilities

Liabilities include all financial claims payable by the Fund at fiscal year end. They include the Fund's estimate of future payments for property assessment appeals and adjustments.

The fair values of payables and the allowance for assessment adjustments and appeals are estimated to approximate their book values.

Net Assets

Net assets are restricted by section 176(1) of the School Act in that money in the Fund is payable only to school boards except when a payment to General Revenues is required to repay advances and make interest payments, or to refund municipalities for overpayments.

NOTE 3 CASH

Cash consists of deposits in the Consolidated Cash Investment Trust Fund which is managed by Alberta Finance to provide competitive interest income while maintaining maximum security and liquidity of depositors' capital.

NOTE 4 INTEREST PAYABLE ON ADVANCES FROM GENERAL REVENUES

Under the provisions of the Financial Administration Act, the Fund receives monthly advances from the General Revenues to make payments to school boards in accordance with section 176(1) of the School Act. The Fund repays the advances as monies are received from municipalities.

The Fund pays interest on the advances at the appropriate bankers' acceptance rate less 0.05%. Interest is calculated on a prorata basis for the number of days the advances are outstanding.

NOTE 5 RELATED PARTY TRANSACTIONS

Operating costs incurred in the administration of the Fund have been borne by other ministries and are not reflected in these financial statements. The Fund is prohibited from paying administration costs under section 176(2) of the School Act.

The Fund incurred interest costs of $2,667,000 (2002 - $3,297,000) on funds advanced from the General Revenues and has interest payable on advances from General Revenues of $0 (2002 - $506,000).

NOTE 6 CONTINGENT LIABILITIES

If it is determined on appeal under the Municipal Government Act that a municipality has paid an amount into the Alberta School Foundation Fund in excess of the sum that is required to be paid, the Minister of Learning may order the repayment of the excess to the municipality. The amount required to be paid is equivalent to the sum of the applicable education property tax rates being applied to the equalized assessment of the municipality for residential and farm land, non-residential property and machinery and equipment. Taxpayers can appeal or request adjustments to their assessment to the assessment review boards, Municipal Government Board and/or the Court of Queen's Bench. Learning has recorded accrued liabilities of $6,214,000 (2002-$0) for those appeals where the likelihood of loss is high. In addition, Learning has recorded an allowance for assessment adjustments and appeals of $2,630,000 based on discussions with the Ministry of Municipal Affairs, historical trends and changes in the equalized assessment process. Effective April 1, 2002, appeals for which the likelihood of loss is indeterminable are excluded from the allowance for assessment adjustments and appeals. The resulting loss, if any, from these appeals cannot be determined.

NOTE 7 BUDGET

The budget amounts shown in these financial statements are from the 2002-03 Government and Lottery Fund Estimates approved May 14, 2002.

NOTE 8 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Deputy Minister and the Senior Financial Officer.

UNAUDITED SUMMARY OF FINANCIAL STATEMENTS

Contents:

Summary of Colleges

Summary of Technical Institutes

Summary of Universities

Summary of The Banff Centre for Continuing Education

Summary of School Jurisdictions and Charter Schools

Audited financial statements are available on Learning's website:

Post-secondary institutions: http://www.learning.gov.ab.ca/psfs/ciufs.asp

School jurisdictions: http://www.learning.gov.ab.ca/funding/afs/

For a print version of the complete audited financial statements of school jurisdictions and post-secondary institutions, please call 427-2767, or order by email at lrccustserv@gov.ab.ca, or online at: http://www.lrc.learning.gov.ab.ca.

SUMMARY OF COLLEGES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2002

(in thousands)

	Alberta College of Art and Design	Alberta College - Edmonton	Bow Valley College	Fairview College
Revenue:				
Grants	$ 7,600	$ 3,301	$ 14,796	$ 13,043
Sales, rentals and services	846	743	-	2,108
Tuition and related fees	2,803	5,992	7,003	2,011
Education contracts and contract programs	-	-	6,572	730
Investment income	155	71	222	579
Donations and contributions	406	54	134	109
Amortization of deferred capital contributions	815	307	1,336	1,370
Ancillary services	699	-	1,234	-
Miscellaneous revenue	25	-	-	-
	13,349	10,468	31,297	19,950
Expense:				
Salaries, wages and benefits	7,783	6,519	18,690	10,416
Instruction and institutional support	473	-	-	-
Academic support, student services and computing services	-	-	-	-
Supplies and services	3,449	977	8,035	4,797
Amortization of capital assets	1,007	549	1,783	2,014
Maintenance, utilities and property tax	-	1,011	-	916
Facilities cost	-	-	-	-
Scholarships and bursaries	88	26	98	133
Other	466	504	814	779
Pension valuation adjustment	-	-	-	-
Loss/(gain) on disposal of capital assets*	(3)	-	(2)	-
	13,263	9,586	29,418	19,055
Excess Revenue over Expenses	$ 86	$ 882	$ 1,879	$ 895
Changes in Financial Position				
Cash and short-term investments, net of bank indebtedness:				
Generated/(used) by operations	$ 165	$ 769	$ 4,084	$ 2,010
Generated/(used) by investing activities	(1,415)	23	(2,721)	(3,032)
Generated/(used) by financing activities	993	(463)	1,452	1,322
Net sources/(uses) during year	(257)	329	2,815	300
Amount at the beginning of the year	2,636	927	1,780	1,314
Amount at the end of the year	$ 2,379	$ 1,256	$ 4,595	$ 1,614

*Where disclosed separately on Statement of Operations

SUMMARY OF COLLEGES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2002

(in thousands)

	Grande Prairie Regional College	Grant MacEwan College	Keyano College	Lakeland College
Revenue:				
Grants	$ 15,742	$ 42,416	$ 20,021	$ 20,166
Sales, rentals and services	2,406	13,655	4,645	3,907
Tuition and related fees	5,691	31,770	3,848	8,464
Education contracts and contract programs	1,075	2,968	970	678
Investment income	355	972	545	439
Donations and contributions	669	847	606	206
Amortization of deferred capital contributions	1,598	3,643	1,801	2,609
Ancillary services	-	-	-	-
Miscellaneous revenue	-	-	-	774
	27,536	96,271	32,436	37,243
Expense:				
Salaries, wages and benefits	17,960	61,366	-	21,856
Instruction and institutional support	-	-	20,512	-
Academic support, student services and computing services	-	-	4,560	-
Supplies and services	5,690	16,578	-	10,193
Amortization of capital assets	2,130	7,056	2,788	4,504
Maintenance, utilities and property tax	706	2,310	-	1,741
Facilities cost	-	-	-	-
Scholarships and bursaries	284	524	-	131
Other	743	5,701	2,728	4,388
Pension valuation adjustment	-	-	-	-
Loss/(gain) on disposal of capital assets*	5	-	131	-
	27,518	93,535	30,719	42,813
Excess Revenue over Expenses	$ 18	$ 2,736	$ 1,717	$ (5,570)
Changes in Financial Position				
Cash and short-term investments, net of bank indebtedness:				
Generated/(used) by operations	$ 424	$ 7,561	$ 4,456	$ (936)
Generated /(used) by investing activities	(2,046)	(10,598)	(9,054)	(3,270)
Generated/(used) by financing activities	2,077	9,743	1,613	4,729
Net sources/(uses) during year	455	6,706	(2985)	523
Amount at the beginning of the year	744	9,891	5,874	1,668
Amount at the end of the year	$ 1,199	$ 16,597	$ 2,889	$ 2,191

*Where disclosed separately on Statement of Operations

SUMMARY OF COLLEGES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2002

(in thousands)

	Lethbridge Community College	Medicine Hat College	Mount Royal College	NorQuest College
Revenue:				
Grants	$ 24,403	$ 15,510	$ 43,926	$ 19,783
Sales, rentals and services	6,148	2,346	10,956	1,882
Tuition and related fees	11,943	8,037	23,283	7,452
Education contracts and contract programs	1,596	-	15,702	2,483
Investment income	381	544	1,966	444
Donations and contributions	162	227	1,111	53
Amortization of deferred capital contributions	3,191	1,264	3,379	1,056
Ancillary services	-	-	-	-
Miscellaneous revenue	-	-	-	-
	47,824	27,928	100,323	33,153
Expense:				
Salaries, wages and benefits	32,231	17,170	62,733	22,944
Instruction and institutional support	-	-	-	718
Academic support, student services and computing services	-	-	-	-
Supplies and services	6,789	6,034	22,318	2,708
Amortization of capital assets	3,593	2,169	5,762	1,577
Maintenance, utilities and property tax	1,251	564	2,866	1,551
Facilities cost	-	-	-	-
Scholarships and bursaries	113	292	646	45
Other	3,188	1,025	3,784	1,723
Pension valuation adjustment	-	-	-	-
Loss/(gain) on disposal of capital assets*	-	-	-	-
	47,165	27,254	98,109	31,266
Excess Revenue over Expenses	$ 659	$ 674	$ 2,214	$ 1,887
Changes in Financial Position				
Cash and short-term investments, net of bank indebtedness:				
Generated/(used) by operations	$ 1,311	$ 2,616	$ 6,524	$ 2,794
Generated/(used) by investing activities	(11,614)	(8,359)	(36,144)	(4,979)
Generated/(used) by financing activities	4,204	8,619	20,145	2,851
Net sources/(uses) during year	(6,099)	2,876	(9,475)	666
Amount at the beginning of the year	5,274	1,668	41,698	5,598
Amount at the end of the year	$ (825)	$ 4,544	$ 32,223	$ 6,264

SUMMARY OF COLLEGES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2002

(in thousands)

	Northern Lakes College	Olds College	Portage College	Red Deer College
Revenue:				
Grants	$ 16,643	$ 16,547	$ 13,106	$ 25,587
Sales, rentals and services	1,141	4,888	1,512	1,435
Tuition and related fees	3,594	4,265	2,437	11,801
Education contracts and contract programs	433	1,624	1,053	1,243
Investment income	223	380	130	1,735
Donations and contributions	91	888	34	853
Amortization of deferred capital contributions	1,302	1,878	1,036	1,854
Ancillary services	-	-	-	5,739
Miscellaneous revenue	242	-	184	-
	23,669	30,470	19,492	50,247
Expense:				
Salaries, wages and benefits	13,019	16,883	12,093	30,469
Instruction and institutional support	-	-	-	-
Academic support, student services and computing services	-	-	-	-
Supplies and services	5,658	7,665	5,008	11,745
Amortization of capital assets	1,913	2,833	1,516	4,169
Maintenance, utilities and property tax	1,227	987	764	1,474
Facilities cost	194	-	-	-
Scholarships and bursaries	57	181	63	242
Other	885	1,846	-	2,134
Pension valuation adjustment	-	-	-	-
Loss/(gain) on disposal of capital assets*	-	24	-	-
	22,953	30,419	19,444	50,233
Excess Revenue over Expenses	$ 716	$ 51	$ 48	$ 14
Changes in Financial Position				
Cash and short-term investments, net of bank indebtedness:				
Generated/(used) by operations	$ 2,006	$ 1,674	$ 842	$ 7,650
Generated/(used) by investing activities	(3,093)	(2,596)	(1,300)	(5,145)
Generated/(used) by financing activities	656	1,792	230	3,673
Net sources/(uses) during year	(431)	870	(228)	6,178
Amount at the beginning of the year	5,745	4,106	2,863	2,618
Amount at the end of the year	$ 5,314	$ 4,976	$ 2,635	$ 8,796

*Where disclosed separately on Statement of Operations

SUMMARY OF COLLEGES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2002

(in thousands)

	2002 Totals	2001 Totals as restated	2002 Budget
Revenue:			
Grants	$ 312,590	$ 279,693	$ 288,333
Sales, rentals and services	58,618	52,566	55,752
Tuition and related fees	140,394	133,290	144,432
Education contracts and contract programs	37,127	33,569	37,105
Investment income	9,141	12,061	8,616
Donations and contributions	6,450	6,494	5,549
Amortization of deferred capital contributions	28,439	28,332	29,250
Ancillary services	7,672	6,869	6,901
Miscellaneous revenue	1,225	1,008	1,601
	601,656	553,882	577,539
Expense:			
Salaries, wages and benefits	352,132	315,415	340,117
Instruction and institutional support	21,703	19,705	21,317
Academic support, student services and computing services	4,560	4,178	4,205
Supplies and services	117,644	112,916	113,683
Amortization of capital assets	45,363	41,601	41,400
Maintenance, utilities and property tax	17,368	15,797	18,414
Facilities cost	194	1,229	313
Scholarships and bursaries	2,923	2,574	1,958
Other	30,708	22,664	26,532
Pension valuation adjustment	-	-	-
Loss/(gain) on disposal of capital assets*	155	(72)	-
	592,750	535,933	567,939
Excess Revenue over Expenses	$ 8,906	$ 17,949	$ 9,600
Changes in Financial Position			
Cash and short-term investments, net of bank indebtedness:			
Generated/(used) by operations	$ 43,950	$ 28,580	
Generated/(used) by investing activities	(105,343)	(181,101)	
Generated/(used) by financing activities	63,636	173,757	
Net sources/(uses) during year	2,243	21,236	
Amount at the beginning of the year	94,404	73,168	
Amount at the end of the year	$ 96,647	$ 94,404	

*Where disclosed separately on Statement of Operations

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2002

(in thousands)

	Alberta College of Art and Design	Alberta College - Edmonton	Bow Valley College	Fairview College
Assets				
Current:				
Cash and short-term investments	$ 2,379	$ 1,256	$ 4,595	$ 1,614
Accounts receivable	529	150	1,977	1,148
Inventories	430	59	593	404
Prepaid expense and deposits		23	103	48
	3,338	1,488	7,268	3,214
Long-term:				
Investments	2,888	144	6,967	11,154
Capital assets	7,945	4,615	23,395	19,592
Other assets	761	-	-	-
	$ 14,932	$ 6,247	$ 37,630	$ 33,960
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	594	210	1,574	976
Payable to the Government of Alberta	-	-	-	-
Accrued vacation pay	668	-	1,479	810
Unearned revenue	81	988	1,426	138
Deferred contributions	623	9	1,264	1,202
Current portion of long-term debt	-	-	-	-
Other current liabilities	40	-	63	-
	2,006	1,207	5,806	3,126
Long-Term:				
Debt	-	-	-	-
Pension obligations	-	-	-	-
Deferred contributions	-	-	-	-
Deferred capital contributions	1,728	-	4,132	1,267
Unamortized deferred capital contributions	7,390	723	19,396	12,142
Other long-term liabilities	75	-	225	491
	9,193	723	23,753	13,900
Net Assets:				
Endowments	1,736	144	10	2,015
Investment in capital assets	555	3,892	3,710	7,450
Internally restricted	610	-	2,825	7,005
Unrestricted	832	281	1,526	464
	3,733	4,317	8,071	16,934
	$ 14,932	$ 6,247	$ 37,630	$ 33,960

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2002

(in thousands)

	Grande Prairie Regional College	Grant MacEwan College	Keyano College	Lakeland College
Assets				
Current:				
Cash and short-term investments	$ 1,199	$ 16,597	$ 2,889	$ 2,191
Accounts receivable	1,073	2,097	1,512	1,770
Inventories	275	1,082	188	876
Prepaid expense and deposits	48	677	109	110
	2,595	20,453	4,698	4,947
Long-term:				
Investments	6,047	28,382	14,473	7,636
Capital assets	35,638	143,446	56,892	66,000
Other assets	-	-	-	11
	$ 44,280	$ 192,281	$ 76,063	$ 78,594
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	1,185	6,432	2,955	2,107
Payable to the Government of Alberta	-	-	-	-
Accrued vacation pay	1,188	4,187	1,540	1,491
Unearned revenue	117	2,759	504	1,629
Deferred contributions	422	4,808	4,069	2,086
Current portion of long-term debt	106	127	150	534
Other current liabilities	309	-	-	-
	3,327	18,313	9,218	7,847
Long-Term:				
Debt	384	6,041	5,358	4,068
Pension obligations	-	-	-	-
Deferred contributions	-	-	-	-
Deferred capital contributions	1,329	3,131	4,112	469
Unamortized deferred capital contributions	31,485	100,092	29,393	49,151
Other long-term liabilities	463	-	-	-
	33,661	109,264	38,863	53,688
Net Assets:				
Endowments	2,712	10,731	1,118	1,315
Investment in capital assets	3,199	37,186	21,991	13,410
Internally restricted	1,381	245	-	2,306
Unrestricted	-	16,542	4,873	28
	7,292	64,704	27,982	17,059
	$ 44,280	$ 192,281	$ 76,063	$ 78,594

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2002

(in thousands)

	Lethbridge Community College	Medicine Hat College	Mount Royal College	NorQuest College
Assets				
Current:				
Cash and short-term investments	$ 61	$ 4,544	$ 32,223	$ 6,264
Accounts receivable	1,280	830	3,253	1,224
Inventories	733	268	707	153
Prepaid expense and deposits	312	89	641	198
	2,386	5,731	36,824	7,839
Long-term:				
Investments	12,251	17,169	73,301	6,576
Capital assets	51,205	28,015	119,475	20,791
Other assets	-	-	-	-
	$ 65,842	$ 50,915	$ 229,600	$ 35,206
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 886	$ -	$ -	$ -
Accounts payable and accrued liabilities	2,472	768	4,187	1,675
Payable to the Government of Alberta	-	-	-	-
Accrued vacation pay	710	494	4,035	2,236
Unearned revenue	813	601	3,105	827
Deferred contributions	2,962	2,164	10,283	849
Current portion of long-term debt	126	70	-	-
Other current liabilities	-	-	388	-
	7,969	4,097	21,998	5,587
Long-Term:				
Debt	6,380	3,930	-	-
Pension obligations	-	-	-	-
Deferred contributions	-	-	6,129	-
Deferred capital contributions	1,482	8,215	50,143	1,482
Unamortized deferred capital contributions	37,940	19,225	106,389	15,901
Other long-term liabilities	-	2,060	9,768	-
	45,802	33,430	172,429	17,383
Net Assets:				
Endowments	3,549	2,492	11,459	317
Investment in capital assets	6,759	6,186	12,362	4,890
Internally restricted	1,763	3,095	9,189	6,512
Unrestricted	-	1,615	2,163	517
	12,071	13,388	35,173	12,236
	$ 65,842	$ 50,915	$ 229,600	$ 35,206

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2002

(in thousands)

	Northern Lakes College	Olds College	Portage College	Red Deer College
Assets				
Current:				
Cash and short-term investments	$ 5,314	$ 4,976	$ 2,635	$ 9,274
Accounts receivable	844	1,789	738	2,642
Inventories	113	463	189	457
Prepaid expense and deposits	72		166	223
	6,343	7,228	3,728	12,596
Long-term:				
Investments	1,522	4,873	288	10,634
Capital assets	32,021	30,451	33,751	56,299
Other assets	-	350	-	921
	$ 39,886	$ 42,902	$ 37,767	$ 80,450
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ 478
Accounts payable and accrued liabilities	1,286	685	624	4,821
Payable to the Government of Alberta	-	-	-	-
Accrued vacation pay	1,901	1,313	1,153	2,683
Unearned revenue	101	1,518	98	1,198
Deferred contributions	1,533	2,206	955	3,122
Current portion of long-term debt	-	111	-	158
Other current liabilities	42	-	-	465
	4,863	5,833	2,830	12,925
Long-Term:				
Debt	-	3,332	-	5,090
Pension obligations	-	-	-	-
Deferred contributions	-	-	-	-
Deferred capital contributions	136	332	-	5,250
Unamortized deferred capital contributions	27,446	19,388	30,206	37,219
Other long-term liabilities	62	-	-	405
	27,644	23,052	30,206	47,964
Net Assets:				
Endowments	65	4,292	229	5,384
Investment in capital assets	4,495	7,621	3,544	13,883
Internally restricted	13	1,385	868	262
Unrestricted	2,806	719	90	32
	7,379	14,017	4,731	19,561
	$ 39,886	$ 42,902	$ 37,767	$ 80,450

SUMMARY OF COLLEGES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2002

(in thousands)

	2002 Totals	2001 Totals as restated
Assets		
Current:		
Cash and short-term investments	$ 98,011	$ 94,404
Accounts receivable	22,856	22,018
Inventories	6,990	6,841
Prepaid expense and deposits	2,819	2,710
	130,676	125,973
Long-term:		
Investments	204,305	234,313
Capital assets	729,531	639,693
Other assets	2,043	1,801
	$ 1,066,555	$ 1,001,780
Liabilities and Net Assets		
Current:		
Bank indebtedness	$ 1,364	$ -
Accounts payable and accrued liabilities	32,551	25,418
Payable to the Government of Alberta	-	17,400
Accrued vacation pay	25,888	23,723
Unearned revenue	15,903	14,643
Deferred contributions	38,557	28,513
Current portion of long-term debt	1,382	1,171
Other current liabilities	1,307	993
	116,952	111,861
Long-Term:		
Debt	34,583	27,865
Pension obligations	-	-
Deferred contributions	6,129	4,952
Deferred capital contributions	83,208	122,431
Unamortized deferred capital contributions	543,486	477,150
Other long-term liabilities	13,549	5,162
	680,955	637,560
Net Assets:		
Endowments	47,568	43,029
Investment in capital assets	151,133	137,936
Internally restricted	37,459	42,266
Unrestricted	32,488	29,128
	268,648	252,359
	$ 1,066,555	$ 1,001,780

SUMMARY OF TECHNICAL INSTITUTES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2002

(in thousands)

	Northern Alberta Institute of Technology	Southern Alberta Institute of Technology	2002 Totals	2001 Totals as restated	2002 Budget
Revenue:					
Grants	$ 84,518	$ 80,191	$ 164,709	$ 148,415	$ 162,608
Earned revenue programs	23,256	30,966	54,222	50,859	56,000
Tuition and related fees	20,149	21,541	41,690	38,218	41,988
Donations and fund raising	1,785	5,485	7,270	6,371	3,970
Ancillary services	13,246	17,240	30,486	25,193	27,863
Sales, rentals and services	4,166	5,364	9,530	8,487	8,210
Investment income	3,378	449	3,827	3,306	3,473
Amortization of deferred cap contributions	5,497	8,383	13,880	12,734	13,070
	155,995	169,619	325,614	293,583	317,182
Expenses:					
Salaries, wages and benefits	102,393	101,990	204,383	184,004	203,682
Supplies and services	35,977	33,397	69,374	64,776	67,082
Utilities	4,814	8,252	13,066	14,022	13,395
Facility rentals	1,068	-	1,068	873	774
Interest expense	-	3,813	3,813	-	-
Scholarships and bursaries	629	2,084	2,713	2,163	1,291
Repairs and maintenance	-	8,547	8,547	5,946	5,438
Pension adjustment	-	-	-	-	-
Capital amortization	11,157	16,766	27,923	24,861	27,690
Adjustment to carrying value of capital assets related to property exchange	-	-	-	-	-
Loss on disposal of capital assets	181	895	1,076	588	-
	156,219	175,744	331,963	297,233	319,352
Excess Revenue over Expenses	$ (224)	$ (6,125)	$ (6,349)	$ (3,650)	$ (2,170)
Changes in Financial Position					
Cash and short-term investments, net of bank indebtedness:					
Generated/(used) by operations	$ 10,628	$ 4,444	$ 15,072	$ 22,759	
Generated/(used) by investing activities	(24,776)	(26,992)	(51,768)	(48,076)	
Generated/(used) by financing activities	12,919	18,681	31,600	26,136	
Net sources/(uses) during year	(1,229)	(3,867)	(5,096)	819	
Amount at the beginning of the year	3,547	11,928	15,475	14,656	
Amount at the end of the year	$ 2,318	$ 8,061	$ 10,379	$ 15,475	

SUMMARY OF TECHNICAL INSTITUTES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2002

(in thousands)

	Northern Alberta Institute of Technology	Southern Alberta Institute of Technology	2002 Totals	2001 Totals as restated
Assets				
Current:				
Cash & short-term investments	$ 2,318	$ 8,061	$ 10,379	$ 15,475
Accounts receivable	6,369	8,445	14,814	17,709
Inventories	4,011	1,277	5,288	4,487
Prepaid expenses	1,010	730	1,740	1,072
Total Current	13,708	18,513	32,221	38,743
Investments	26,168	38,185	64,353	76,893
Capital assets	174,065	203,624	377,689	342,227
Long-term receivable	2,502	606	3,108	11,006
Total Assets	$ 216,443	$ 260,928	$ 477,371	$ 468,869
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	15,635	16,059	31,694	27,651
Accrued vacation pay	10,076	8,239	18,315	17,440
Unearned revenue	6,443	4,272	10,715	12,271
Deferred salary plans	-	409	409	327
Deferred contribution	6,865	8,542	15,407	13,975
Current portion of long-term debt	137	3,486	3,623	2,967
Current portion of long-term leases	264	-	264	267
Total Current Liabilities	39,420	41,007	80,427	74,898
Long-Term:				
Debt	138	59,995	60,133	72,359
Deferred capital contributions	547	15,031	15,578	20,927
Long-term leases	167	-	167	384
Pension Obligations	-	-	-	-
Unamortized deferred capital contribution	97,879	76,643	174,522	148,566
Total Long-Term Liabilities	98,731	151,669	250,400	242,236
Net Assets:				
Endowments	7,910	8,193	16,103	14,945
Internally restricted	-	-	-	1,713
Invested in capital assets	75,480	63,500	138,980	128,885
Unrestricted net assets	(5,098)	(3,441)	(8,539)	6,192
Total Net Assets	78,292	68,252	146,544	151,735
Total Liabilities and Net Assets	$ 216,443	$ 260,928	$ 477,371	$ 468,869

Colleges and Technical Institutes
Disclosure of Salaries and Benefits for President Positions
June 30, 2002

Post-Secondary Institution	Remuneration	Benefits & Allowances*	Total
Alberta College of Art and Design	$115,804	$47,308	$163,112
Alberta College-Edmonton	$134,160	$20,970	$155,130
Bow Valley College	$125,000	$19,941	$144,941
Fairview College	$112,009	$32,223	$144,232
Grande Prairie Regional College	$114,600	$13,280	$127,880
Grant MacEwan College	$177,207	$23,136	$200,343
Keyano College	$145,669	$11,353	$157,022
Lakeland College	$136,000	$20,953	$156,953
Lethbridge Community College	$154,267	$14,206	$168,473
Medicine Hat College	$136,000	$18,048	$154,048
Mount Royal College	$180,861	$59,425	$240,286
NorQuest College	$117,478	$14,949	$132,427
Northern Lakes College	$132,866	$4,750	$137,616
Olds College	$121,574	$15,879	$137,453
Portage College	$105,086	$16,679	$121,765
Red Deer College	$136,052	$39,420	$175,472
Northern Alberta Institute of Technology	$200,000	$13,000	$213,000
Southern Alberta Institute of Technology	$175,000	$12,000	$187,000

* Benefits & Allowances includes the College's or Institute's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, and short and long-term disability plans. It may also include vehicle, parking and travel allowances, professional memberships, special paid leave, vacation payouts, remission of tuition fees and others.

Note: The Presidents of Colleges and Technical Institutes are appointed by the Institution's Board of Governors.

SUMMARY OF UNIVERSITIES
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2003

(in thousands)

	Universities				2003	2002	2003
	Alberta	Calgary	Lethbridge	Athabasca	Totals	Totals as restated	Budget
Revenue:							
Grants	$466,197	$ 319,777	$ 56,931	$ 21,259	$ 864,164	$ 805,041	$ 817,070
Tuition and related fees	138,617	102,915	27,143	31,119	299,794	268,440	277,638
Non-credit tuition and related fees	-	14,240	-	-	14,240	14,992	14,787
Donations and contributions	43,188	45,737	369	51	89,345	101,765	158,147
Investment & royalty income (loss)	(6,922)	(18,877)	2,609	439	(22,751)	75,021	30,846
Sales, rentals and services	140,232	68,650	9,331	7,488	225,701	209,202	199,979
Amortization of deferred capital contribution	44,421	53,323	6,094	1,150	104,988	100,301	102,092
Miscellaneous revenue	-	-	2,068	303	2,371	2,301	4,012
	825,733	585,765	104,545	61,809	1,577,852	1,577,063	1,604,571
Expense:							
Salaries	450,701	328,162	52,435	37,423	868,721	792,303	848,896
Employee benefits	79,274	45,522	9,032	-	133,828	119,964	117,145
Materials, supplies and services	153,421	86,352	10,190	14,034	263,997	233,476	346,109
Maintenance, utilities and property tax	52,793	38,538	5,605	1,370	98,306	88,315	53,559
Scholarships and bursaries	51,914	18,219	2,357	141	72,631	68,424	22,296
Travel	-	21,009	2,655	4,280	27,944	25,418	27,912
Cost of goods sold	-	17,863	2,862	-	20,725	19,790	27,480
Interest/financing	6,225	3,103	1,419	-	10,747	8,859	2,314
Amortization of capital assets	68,726	70,002	10,922	3,418	153,068	145,265	152,703
Unrealized loss on write-down of investments	-	-	2,755	-	2,755	-	-
Loss/(gain) on disposal of capital assets	-	-	199	-	199	1,118	-
	863,054	628,770	100,431	60,666	1,652,921	1,502,932	1,598,414
Excess Revenue over Expenses	$ (37,321)	$ (43,005)	$ 4,114	$ 1,143	$(75,069)	$ 74,131	$ 6,157
Changes In Financial Position							
Cash and short-term investments, net of bank indebtedness							
Generated/(used) by operations	$ 80,831	$ (10,860)	$ 12,788	$ 5,674	$ 92,789	$ 65,045	
Generated/(used) by investing activities	(181,664)	(48,221)	(6,948)	(2,192)	(243,381)	(342,932)	
Generated/(used) by financing activities	103,256	87,963	(6,038)	201	185,382	235,247	
Net sources/(uses) during year	2,423	28,882	(198)	3,683	34,790	(42,640)	
Amount at the beginning of the year	133,350	146,838	4,033	11,209	295,430	338,070	
Amount at the end of the year	$135,773	$ 175,720	$ 3,835	$ 14,892	$ 330,220	$ 295,430	

SUMMARY OF UNIVERSITIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2003

(in thousands)

	Universities				2003	2002
	Alberta	Calgary	Lethbridge	Athabasca	Totals	Totals as restated
Assets						
Current:						
Cash and short-term investments	$ 152,131	$ 175,720	$ 3,835	$ 14,892	$ 346,578	$ 310,530
Accounts receivable	122,985	49,252	3,565	3,493	179,295	166,551
Inventories	-	5,238	515	2,832	8,585	9,147
Prepaid expenses and deposits	-	3,371	495	413	4,279	3,569
Other	11,142	-	-	-	11,142	10,729
Total Current	286,258	233,581	8,410	21,630	549,879	500,526
Investments	579,426	254,867	48,819	5,255	888,367	1,021,489
Capital assets and collections	943,079	600,951	171,503	21,469	1,737,002	1,623,067
Other assets	-	-	41	386	427	525
Total Assets	$ 1,808,763	$ 1,089,399	$ 228,773	$ 48,740	$ 3,175,675	$ 3,145,607
Liabilities and Net Assets						
Current:						
Bank indebtedness	$ 16,358	$ -	$ -	$ -	$ 16,358	$ 15,100
Accounts payable and accrued liabilities	88,185	63,075	4,865	2,056	158,181	121,408
Current portion of employee benefit liabilities	39,495	-	3,389	4,845	47,729	44,537
Deferred revenue	15,124	14,398	3,206	8,552	41,280	39,157
Deferred contributions	159,623	138,040	5,988	1,025	304,676	290,021
Current portion of long-term liabilities	2,499	3,497	1,302	53	7,351	9,431
Total Current Liabilities	321,284	219,010	18,750	16,531	575,575	519,654
Long-Term:						
Employee benefit liabilities	50,843	-	4,008	1,492	56,343	53,613
Deferred contributions	75,000	-	-	-	75,000	60,000
Deferred capital contributions	2,592	38,392	5,108	662	46,754	32,248
Unamortized deferred capital contributions	576,167	361,385	92,175	13,481	1,043,208	1,016,161
Long-term debt	72,163	-	-	-	72,163	58,532
Other long-term liabilities	-	59,710	528	136	60,374	27,795
Total Long-Term Liabilities	776,765	459,487	101,819	15,771	1,353,842	1,248,349
Net Assets:						
Endowments	459,441	217,696	10,762	1,089	688,988	799,516
Investment in capital assets	296,737	185,761	79,328	8,185	570,011	513,995
Internally restricted	-	7,445	5,260	5,979	18,684	48,256
Unrestricted	(45,464)	-	12,854	1,185	(31,425)	15,837
Total Net Assets	710,714	410,902	108,204	16,438	1,246,258	1,377,604
Total Liabilities & Net Assets	$ 1,808,763	$ 1,089,399	$ 228,773	$ 48,740	$ 3,175,675	$ 3,145,607

Universities
Disclosure of Salaries and Benefits for President Positions
March 31, 2003

Universities	Remuneration	Benefits & Allowances*	Total
Athabasca University	$189,000	$33,000	$222,000
University of Alberta	$336,000	$33,000	$369,000
University of Calgary	$269,000	$108,000	$377,000
University of Lethbridge	$200,000	$128,000	$328,000

* Benefits & Allowances includes the University's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, and short and long-term disability plans. It may also include vehicle, parking and travel allowances, professional memberships, special paid leave, vacation payouts, remission of tuition fees and others.

Note: The Presidents of Universities are appointed by the Institution's Board of Governors.

SUMMARY OF THE BANFF CENTRE FOR CONTINUING EDUCATION
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2003

(in thousands)

	Year Ended March 31, 2003	Six Months Ended March 31, 2002[1]	Year Ended September 30, 2001
Revenue:			
Grants	$ 13,815	$ 5,872	$ 11,835
Accommodation	12,840	4,831	12,415
Sales, rentals and services	6,462	2,760	6,307
Tuition and related fees	5,045	2,794	5,240
Investment income	39	81	498
Donations and other contributions	2,742	1,261	1,723
Amortization of deferred expended capital contributions	1,657	841	1,907
	42,600	18,440	39,925
Expense:			
Salaries, wages and benefits	21,508	9,740	20,328
Scholarships and financial assistance	2,953	1,001	2,850
Supplies and materials	3,928	1,540	4,028
Facility operating	3,310	1,437	2,957
Purchased services	3,623	1,571	3,271
Travel and related	1,503	655	1,876
Financial costs	661	712	760
Marketing and promotion	514	273	921
Vehicles and equipment	1,304	613	1,230
Amortization of capital assets	2,209	1,122	2,510
Loss/(gain) on disposal of capital assets	2	13	41
	41,515	18,677	40,772
Excess Revenue over Expenses	$ 1,085	$ (237)	$ (847)
Changes in Financial Position			
Cash and short term investments:			
Generated by operations	$ 2,713	$ 316	$ 991
Generated/(used) by investing activities	(3,865)	(671)	(2,265)
Generated/(used) by financing activities	2,257	(49)	2,118
Net sources/(uses) during year	1,105	(404)	844
Cash and short-term investments at beginning of year	736	1,140	296
Cash and short-term investments at end of year	$ 1,841	$ 736	$ 1,140

(1) Year-end changed from September 30 to March 31.

SUMMARY OF THE BANFF CENTRE FOR CONTINUING EDUCATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2003

(in thousands)

	March 31, 2003	March 31, 2002[1]	As at September 30, 2001
Assets			
Current:			
Cash and short-term investments	$ 1,841	$ 736	$ 1,140
Accounts receivable	1,693	2,394	2,579
Inventories	458	357	363
Prepaid expense	191	220	253
	4,183	3,707	4,335
Long-term investments	6,388	6,449	6,254
Capital assets	48,328	47,078	47,352
Long-term receivables	473	530	486
	$ 59,372	$ 57,764	$ 58,427
Liabilities and Net Assets			
Current:			
Accounts payable	$ 2,208	$ 1,807	$ 1,765
Accrued vacation pay	1,054	956	812
Unearned revenue	683	380	690
Deferred contributions	1,501	1,196	1,017
Long-term debt due within one year	3,893	410	275
	9,339	4,749	4,559
Long-Term:			
Deferred contributions	1,458	2,751	2,708
Long-term debt	64	3,969	3,942
Deferred expended capital contributions	34,184	33,015	33,853
	35,706	39,735	40,503
Net Assets:			
Endowments	6,341	6,379	6,184
Operating net assets	7,986	6,901	7,181
	14,327	13,280	13,365
Total Liabilities and Net Assets	$ 59,372	$ 57,764	$ 58,427

[1] Year-end changed from September 30 to March 31.

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	ABC Charter Public School Society	Almadina School Society	Aspen View Reg. Div. #19	Aurora Charter School Ltd.
Assets				
Current:				
Cash and temporary investments	$ 643	$ 44	$ 8,106	$ 2,129
Accounts receivable (net after allowances)	25	21	729	57
Prepaid expenses	59	69	240	4
Other current assets	-	-	27	-
	727	134	9,102	2,190
School generated assets	1	-	470	-
Trust assets	-	-	-	-
Capital assets	-	-	13,393	102
Total Assets	$ 728	$ 134	$ 22,965	$ 2,292
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	187	92	1,808	161
Deferred revenue	206	12	2,628	92
Deferred capital allocations	-	-	1,527	-
Current portion of long term debt	-	-	643	-
	393	104	6,606	253
School generated funds	1	-	470	-
Trust liabilities	-	-	-	-
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	-	-	4,556	-
Unamortized capital allocations	-	-	6,539	-
Total Liabilities	394	104	18,171	253
Net Assets:				
Unrestricted net Assets	219	30	537	179
Operating reserves	115	-	2,508	477
Accumulated operating surplus (deficit)	334	30	3,045	656
Investment in capital Assets	-	-	1,654	102
Capital reserves	-	-	95	1,281
Total capital funds	-	-	1,749	1,383
Total Net Assets	334	30	4,794	2,039
	$ 728	$ 134	$ 22,965	$ 2,292

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Battle River Reg. Div. #31	Black Gold Reg. Div. #18.	Boyle Street Education Centre	Buffalo Trail Reg. Div. #28
Assets				
Current:				
Cash and temporary investments	$ 16,750	$ 19,192	$ 305	$ 12,226
Accounts receivable (net after allowances)	1,127	2,338	34	1,908
Prepaid expenses	773	181	5	287
Other current Assets	2,347	412	-	136
	20,997	22,123	344	14,557
School generated Assets	787	947	28	519
Trust Assets	1,126	480	26	58
Capital Assets	41,016	47,329	-	38,531
Total Assets	$ 63,926	$ 70,879	$ 398	$ 53,665
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	4,320	3,971	40	4,198
Deferred revenue	2,308	1,876	2	792
Deferred capital allocations	5,540	11,810	-	2,934
Current portion of long term debt	1,364	2,520	-	1,459
	13,532	20,177	42	9,383
School generated funds	787	947	28	519
Trust liabilities	1,126	480	26	58
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	11,385	13,778	-	12,808
Unamortized capital allocations	9,776	25,423	-	23,115
Total Liabilities	36,606	60,805	96	45,883
Net Assets:				
Unrestricted net Assets	1,433	6	302	2,470
Operating reserves	7,397	3,395	-	4,157
Accumulated operating surplus (deficit)	8,830	3,401	302	6,627
Investment in capital Assets	18,490	5,608	-	1,148
Capital reserves	-	1,065	-	7
Total capital funds	18,490	6,673	-	1,155
Total Net Assets	27,320	10,074	302	7,782
	$ 63,926	$ 70,879	$ 398	$ 53,665

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	CAPE-Centre for Academic and Personal Excellence Institute	Calgary RCSSD #1	Calgary School Dist. #19	Calgary Science School Society
Assets				
Current:				
Cash and temporary investments	$ 9	$ 65,435	$ 102,644	$ 191
Accounts receivable (net after allowances)	27	23,448	24,705	302
Prepaid expenses	17	1,173	3,156	25
Other current Assets	596	414	661	-
	649	90,470	131,166	518
School generated Assets	1	2,699	10,210	-
Trust Assets	-	-	-	-
Capital Assets	60	211,372	322,546	-
Total Assets	$ 710	$ 304,541	$ 463,922	$ 518
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ 2,250	$ 31
Accounts payable and accrued liabilities	47	39,632	70,912	173
Deferred revenue	1	4,985	23,319	162
Deferred capital allocations	-	37,877	30,562	-
Current portion of long term debt	4	6,500	10,304	-
	52	88,994	137,347	366
School generated funds	1	2,699	10,210	-
Trust liabilities	-	-	-	-
Unfunded pension liability-Local Authorities Pension Plan	-	-	10,874	-
Long term debt	47	32,360	77,275	-
Unamortized capital allocations	-	143,040	205,830	-
Total Liabilities	100	267,093	441,536	366
Net Assets:				
Unrestricted net Assets	-	4,101	(14,379)	5
Operating reserves	-	3,875	-	141
Accumulated operating surplus (deficit)	-	7,976	(14,379)	146
Investment in capital Assets	10	29,472	29,137	-
Capital reserves	600	-	7,628	6
Total capital funds	610	29,472	36,765	6
Total Net Assets	610	37,448	22,386	152
	$ 710	$ 304,541	$ 463,922	$ 518

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Canadian Rockies Reg. Div. #12	Chinook's Edge School Div. #73	Christ the Redeemer CS Reg. Div. #3	Clearview School Div. #71
Assets				
Current:				
Cash and temporary investments	$ 5,658	$ 19,678	$ 7,912	$ 13,808
Accounts receivable (net after allowances)	1,369	3,758	1,703	535
Prepaid expenses	548	1,158	845	248
Other current Assets	75	2	-	174
	7,650	24,596	10,460	14,765
School generated Assets	241	798	118	220
Trust Assets	80	245	16	197
Capital Assets	28,343	65,304	38,408	24,072
Total Assets	$ 36,314	$ 90,943	$ 49,002	$ 39,254
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	2,317	2,967	3,579	391
Deferred revenue	329	2,901	640	1,031
Deferred capital allocations	3,925	11,758	5,937	9,072
Current portion of long term debt	877	1,149	503	567
	7,448	18,775	10,659	11,061
School generated funds	241	798	118	220
Trust liabilities	80	245	16	197
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	10,015	7,695	7,085	5,173
Unamortized capital allocations	15,483	45,390	28,629	13,244
Total Liabilities	33,267	72,903	46,507	29,895
Net Assets:				
Unrestricted net Assets	69	1,408	-	3,226
Operating reserves	786	4,113	548	610
Accumulated operating surplus (deficit)	855	5,521	548	3,836
Investment in capital Assets	1,967	11,069	1,902	5,088
Capital reserves	225	1,450	45	435
Total capital funds	2,192	12,519	1,947	5,523
Total Net Assets	3,047	18,040	2,495	9,359
	$ 36,314	$ 90,943	$ 49,002	$ 39,254

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	East Central Alberta CS Schools Reg. Div. #16	East Central Francophone Educ.Region #3	Edmonton CSSD #7	Edmonton School Dist. #7
Assets				
Current:				
Cash and temporary investments	$ 2,781	$ 7,704	$ 50,908	$ 59,327
Accounts receivable (net after allowances)	3,096	289	10,454	11,962
Prepaid expenses	137	41	1,591	961
Other current Assets	-	-	380	4,842
	6,014	8,034	63,333	77,092
School generated Assets	222	47	-	4,886
Trust Assets	-	-	-	499
Capital Assets	6,264	8,292	75,554	279,592
Total Assets	$ 12,500	$ 16,373	$ 138,887	$ 362,069
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ 4,996	$ -
Accounts payable and accrued liabilities	700	1,347	24,084	31,019
Deferred revenue	931	197	5,752	23,724
Deferred capital allocations	2,945	5,732	25,581	18,018
Current portion of long term debt	284	52	3,195	11,703
	4,860	7,328	63,608	84,464
School generated funds	222	47	-	4,886
Trust liabilities	-	-	-	499
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	1,307	83	13,663	45,066
Unamortized capital allocations	3,286	7,859	43,768	139,014
Total Liabilities	9,675	15,317	121,039	273,929
Net Assets:				
Unrestricted net Assets	1,162	272	7,262	789
Operating reserves	252	237	642	-
Accumulated operating surplus (deficit)	1,414	509	7,904	789
Investment in capital Assets	909	297	8,654	83,808
Capital reserves	502	250	1,290	3,543
Total capital funds	1,411	547	9,944	87,351
Total Net Assets	2,825	1,056	17,848	88,140
	$ 12,500	$ 16,373	$ 138,887	$ 362,069

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Elk Island CS Reg. Div. #41	Elk Island Public Schools Reg. Div. #14	Evergreen CS Reg. Div. #2	Foothills School Div. #38
Assets				
Current:				
Cash and temporary investments	$ 3,690	$ 11,625	$ 13,258	$ 11,903
Accounts receivable (net after allowances)	2,109	3,016	832	1,726
Prepaid expenses	217	257	211	444
Other current Assets	-	11	-	-
	6,016	14,909	14,301	14,073
School generated Assets	463	1,964	165	1,004
Trust Assets	82	2,936	86	300
Capital Assets	28,856	38,518	15,510	52,406
Total Assets	$ 35,417	$ 58,327	$ 30,062	$ 67,783
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	3,427	5,900	1,684	2,579
Deferred revenue	1,001	3,227	310	1,276
Deferred capital allocations	641	552	10,152	9,883
Current portion of long term debt	1,422	2,571	561	1,915
	6,491	12,250	12,707	15,653
School generated funds	463	1,964	165	1,004
Trust liabilities	82	2,936	86	300
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	10,009	11,657	5,473	8,662
Unamortized capital allocations	13,837	21,272	7,839	33,142
Total Liabilities	30,882	50,079	26,270	58,761
Net Assets:				
Unrestricted net Assets	221	44	243	-
Operating reserves	622	4,080	1,234	184
Accumulated operating surplus (deficit)	843	4,124	1,477	184
Investment in capital Assets	3,588	3,017	1,637	8,688
Capital reserves	104	1,107	678	150
Total capital funds	3,692	4,124	2,315	8,838
Total Net Assets	4,535	8,248	3,792	9,022
	$ 35,417	$ 58,327	$ 30,062	$ 67,783

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Fort McMurray RCSSD #32	Fort McMurray School Dist. #2833	Fort Vermilion School Div. #52	Foundations for the Future Charter School Society
Assets				
Current:				
Cash and temporary investments	$ 8,858	$ 7,449	$ 4,602	$ 151
Accounts receivable (net after allowances)	2,125	753	2,915	673
Prepaid expenses	91	469	395	210
Other current Assets	6,456	-	92	-
	17,530	8,671	8,004	1,034
School generated Assets	327	610	206	10
Trust Assets	152	319	113	-
Capital Assets	27,026	31,374	57,482	22
Total Assets	$ 45,035	$ 40,974	$ 65,805	$ 1,066
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	2,317	2,787	4,076	63
Deferred revenue	862	2,223	1,312	423
Deferred capital allocations	8,176	2,106	744	-
Current portion of long term debt	762	1,196	1,436	-
	12,117	8,312	7,568	486
School generated funds	327	610	206	10
Trust liabilities	152	319	113	-
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	3,622	3,396	7,948	-
Unamortized capital allocations	8,738	20,386	39,268	-
Total Liabilities	24,956	33,023	55,103	496
Net Assets:				
Unrestricted net Assets	2,650	763	402	487
Operating reserves	1,100	692	1,324	60
Accumulated operating surplus (deficit)	3,750	1,455	1,726	547
Investment in capital Assets	13,905	6,396	8,831	23
Capital reserves	2,424	100	145	-
Total capital funds	16,329	6,496	8,976	23
Total Net Assets	20,079	7,951	10,702	570
	$ 45,035	$ 40,974	$ 65,805	$ 1,066

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Golden Hills School Div. #75	Grande Prairie Public School Dist. #2357	Grande Prairie RCSSD #28	Grande Yellowhead Reg. Div. .#35
Assets				
Current:				
Cash and temporary investments	$ 5,634	$ 547	$ 2,232	$ 8,492
Accounts receivable (net after allowances)	2,369	2,855	3,020	1,286
Prepaid expenses	631	1,151	140	531
Other current Assets	122	148	59	78
	8,756	4,701	5,451	10,387
School generated Assets	566	359	290	582
Trust Assets	383	338	74	757
Capital Assets	40,569	42,434	32,284	26,343
Total Assets	$ 50,274	$ 47,832	$ 38,099	$ 38,069
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	3,600	3,003	1,996	3,175
Deferred revenue	1,073	1,546	642	1,173
Deferred capital allocations	3,840	514	2,259	-
Current portion of long term debt	1,096	1,452	940	1,192
	9,609	6,515	5,837	5,540
School generated funds	566	359	290	582
Trust liabilities	383	338	74	757
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	7,121	13,245	7,773	6,927
Unamortized capital allocations	29,028	25,640	22,497	12,894
Total Liabilities	46,707	46,097	36,471	26,700
Net Assets:				
Unrestricted net Assets	328	(452)	-	1,850
Operating reserves	174	-	32	3,970
Accumulated operating surplus (deficit)	502	(452)	32	5,820
Investment in capital Assets	2,992	2,097	1,074	5,330
Capital reserves	73	90	522	219
Total capital funds	3,065	2,187	1,596	5,549
Total Net Assets	3,567	1,735	1,628	11,369
	$ 50,274	$ 47,832	$ 38,099	$ 38,069

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Grasslands Reg.Div. #6	Greater North Central Francophone Educ. Reg. #2	Greater Southern Public Francophone Educ. Reg. #4	Greater Southern Sep. Catholic Francophone Educ. Reg. #4
Assets				
Current:				
Cash and temporary investments	$ 8,636	$ 6,188	$ 1,753	$ 997
Accounts receivable (net after allowances)	942	702	568	18
Prepaid expenses	6	304	12	25
Other current Assets	96	-	-	-
	9,680	7,194	2,333	1,040
School generated Assets	377	182	27	5
Trust Assets	306	59	-	-
Capital Assets	16,361	22,702	4,796	5,877
Total Assets	$ 26,724	$ 30,137	$ 7,156	$ 6,922
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	2,591	1,333	780	241
Deferred revenue	1,606	689	381	219
Deferred capital allocations	1,665	2,368	817	-
Current portion of long term debt	636	53	-	-
	6,498	4,443	1,978	460
School generated funds	377	182	27	5
Trust liabilities	306	59	-	-
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	7,674	120	-	-
Unamortized capital allocations	4,443	18,080	4,785	5,872
Total Liabilities	19,298	22,884	6,790	6,337
Net Assets:				
Unrestricted net Assets	843	2,399	242	139
Operating reserves	2,791	175	113	91
Accumulated operating surplus (deficit)	3,634	2,574	355	230
Investment in capital Assets	3,608	4,449	11	5
Capital reserves	184	230	-	350
Total capital funds	3,792	4,679	11	355
Total Net Assets	7,426	7,253	366	585
	$ 26,724	$ 30,137	$ 7,156	$ 6,922

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Greater St. Albert Catholic Reg. Div. #29	High Prairie School Div. #48	Holy Family Catholic Reg. Div. #37	Holy Spirit RCS Reg. Div. #4
Assets				
Current:				
Cash and temporary investments	$ 3,597	$ 11,376	$ 4,059	$ 20,351
Accounts receivable (net after allowances)	1,761	875	1,364	1,655
Prepaid expenses	687	257	194	35
Other current Assets	-	-	1	13
	6,045	12,508	5,618	22,054
School generated Assets	959	529	215	735
Trust Assets	339	495	151	286
Capital Assets	37,872	20,602	19,216	19,695
Total Assets	$ 45,215	$ 34,134	$ 25,200	$ 42,770
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ 13
Accounts payable and accrued liabilities	2,029	2,966	939	3,474
Deferred revenue	1,980	1,224	592	1,708
Deferred capital allocations	-	3,199	-	14,665
Current portion of long term debt	1,601	636	771	696
	5,610	8,025	2,302	20,556
School generated funds	959	529	215	735
Trust liabilities	339	495	151	286
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	15,473	2,976	5,855	4,392
Unamortized capital allocations	16,853	13,636	10,478	12,710
Total Liabilities	39,234	25,661	19,001	38,679
Net Assets:				
Unrestricted net Assets	11	-	178	270
Operating reserves	1,536	3,251	2,728	1,745
Accumulated operating surplus (deficit)	1,547	3,251	2,906	2,015
Investment in capital Assets	3,945	3,472	2,113	1,897
Capital reserves	489	1,750	1,180	179
Total capital funds	4,434	5,222	3,293	2,076
Total Net Assets	5,981	8,473	6,199	4,091
	$ 45,215	$ 34,134	$ 25,200	$ 42,770

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Horizon School Div. #67	Lakeland RCSSD #150	Lethbridge School Dist. #51	Living Waters Catholic Reg. Div. #42
Assets				
Current:				
Cash and temporary investments	$ 9,128	$ 4,318	$ 18,824	$ 8,934
Accounts receivable (net after allowances)	782	801	2,497	618
Prepaid expenses	12	74	279	68
Other current Assets	-	140	70	-
	9,922	5,333	21,670	9,620
School generated Assets	634	159	832	272
Trust Assets	-	11	433	216
Capital Assets	13,865	9,529	28,191	12,731
Total Assets	$ 24,421	$ 15,032	$ 51,126	$ 22,839
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	181	825	4,492	1,060
Deferred revenue	871	536	1,967	587
Deferred capital allocations	1,818	-	10,545	5,765
Current portion of long term debt	249	369	1,253	568
	3,119	1,730	18,257	7,980
School generated funds	634	159	832	272
Trust liabilities	-	11	433	216
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	1,288	3,035	10,004	4,860
Unamortized capital allocations	9,775	4,610	14,451	5,309
Total Liabilities	14,816	9,545	43,977	18,637
Net Assets:				
Unrestricted net Assets	3,637	211	908	286
Operating reserves	2,132	2,522	3,570	1,747
Accumulated operating surplus (deficit)	5,769	2,733	4,478	2,033
Investment in capital Assets	2,553	1,515	2,483	1,994
Capital reserves	1,283	1,239	188	175
Total capital funds	3,836	2,754	2,671	2,169
Total Net Assets	9,605	5,487	7,149	4,202
	$ 24,421	$ 15,032	$ 51,126	$ 22,839

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Livingstone Range School Div. #68	Medicine Hat CS Reg. Div. #20	Medicine Hat School Dist. #76	Moberly Hall School Society
Assets				
Current:				
Cash and temporary investments	$ 17,063	$ 6,444	$ 8,009	$ 192
Accounts receivable (net after allowances)	3,986	1,281	1,019	24
Prepaid expenses	65	272	230	-
Other current Assets	149	66	574	-
	21,263	8,063	9,832	216
School generated Assets	694	194	770	-
Trust Assets	97	7	1,654	-
Capital Assets	24,749	13,234	27,295	3
Total Assets	$ 46,803	$ 21,498	$ 39,551	$ 219
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	4,813	1,367	1,893	5
Deferred revenue	276	397	1,321	32
Deferred capital allocations	13,192	5,429	2,182	-
Current portion of long term debt	574	248	1,003	-
	18,855	7,441	6,399	37
School generated funds	694	194	770	-
Trust liabilities	97	7	1,654	-
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	3,709	1,732	6,632	-
Unamortized capital allocations	16,310	10,857	16,656	-
Total Liabilities	39,665	20,231	32,111	37
Net Assets:				
Unrestricted net Assets	1,856	316	410	179
Operating reserves	1,054	519	2,585	-
Accumulated operating surplus (deficit)	2,910	835	2,995	179
Investment in capital Assets	4,156	397	3,005	3
Capital reserves	72	35	1,440	-
Total capital funds	4,228	432	4,445	3
Total Net Assets	7,138	1,267	7,440	182
	$ 46,803	$ 21,498	$ 39,551	$ 219

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	New Horizons Charter School Society	Northern Gateway Reg. Div. #10	Northern Lights School Div. #69	Northland School Div. #61
Assets				
Current:				
Cash and temporary investments	$ 151	$ 2,965	$ 16,040	$ 10,856
Accounts receivable (net after allowances)	10	1,443	1,326	5,999
Prepaid expenses	19	421	186	174
Other current Assets	-	-	-	593
	180	4,829	17,552	17,622
School generated Assets	4	977	577	230
Trust Assets	-	254	63	-
Capital Assets	7	54,612	28,709	41,477
Total Assets	$ 191	$ 60,672	$ 46,901	$ 59,329
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	20	1,122	3,257	4,968
Deferred revenue	9	1,287	827	1,735
Deferred capital allocations	-	-	7,648	474
Current portion of long term debt	-	1,482	1,382	2,293
	29	3,891	13,114	9,470
School generated funds	4	977	577	230
Trust liabilities	-	254	63	-
Unfunded pension liability-Local Authorities Pension Plan	-	337	-	-
Long term debt	-	9,538	10,931	14,110
Unamortized capital allocations	-	36,442	12,746	19,733
Total Liabilities	33	51,439	37,431	43,543
Net Assets:				
Unrestricted net Assets	68	508	260	4,807
Operating reserves	16	1,479	5,553	1,966
Accumulated operating surplus (deficit)	84	1,987	5,813	6,773
Investment in capital Assets	6	7,150	3,650	5,341
Capital reserves	68	96	7	3,672
Total capital funds	74	7,246	3,657	9,013
Total Net Assets	158	9,233	9,470	15,786
	$ 191	$ 60,672	$ 46,901	$ 59,329

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Northwest Francophone Educ. Region #1	Palliser Reg. Div. #26	Parkland School Div. #70	Peace River School Div. #10
Assets				
Current:				
Cash and temporary investments	$ 1,929	$ 3,299	$ 10,460	$ 10,352
Accounts receivable (net after allowances)	136	2,094	1,726	3,715
Prepaid expenses	35	515	207	193
Other current Assets	38	23	-	172
	2,138	5,931	12,393	14,432
School generated Assets	53	388	449	525
Trust Assets	-	172	361	148
Capital Assets	4,283	25,234	47,992	28,358
Total Assets	$ 6,474	$ 31,725	$ 61,195	$ 43,463
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	279	1,703	4,452	2,705
Deferred revenue	290	1,216	2,562	6,443
Deferred capital allocations	437	495	223	193
Current portion of long term debt	-	582	1,907	1,124
	1,006	3,996	9,144	10,465
School generated funds	53	388	449	525
Trust liabilities	-	172	361	148
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	-	5,640	9,665	9,382
Unamortized capital allocations	3,928	13,326	31,758	12,299
Total Liabilities	4,987	23,522	51,377	32,819
Net Assets:				
Unrestricted net Assets	278	-	1,926	1,947
Operating reserves	338	2,194	1,740	999
Accumulated operating surplus (deficit)	616	2,194	3,666	2,946
Investment in capital Assets	355	5,686	4,662	5,553
Capital reserves	516	323	1,490	2,145
Total capital funds	871	6,009	6,152	7,698
Total Net Assets	1,487	8,203	9,818	10,644
	$ 6,474	$ 31,725	$ 61,195	$ 43,463

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Peace Wapiti Reg. Div. #33	Pembina Hills Reg. Div. #7	Prairie Land Reg. Div. #25	Prairie Rose Reg. Div. #8
Assets				
Current:				
Cash and temporary investments	$ 13,027	$ 7,774	$ 6,982	$ 3,275
Accounts receivable (net after allowances)	2,021	1,427	519	588
Prepaid expenses	479	405	84	456
Other current Assets	324	348	-	3
	15,851	9,954	7,585	4,322
School generated Assets	825	460	223	439
Trust Assets	76	613	583	88
Capital Assets	33,416	20,309	23,190	23,080
Total Assets	$ 50,168	$ 31,336	$ 31,581	$ 27,929
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	5,441	1,607	919	1,216
Deferred revenue	2,242	3,088	599	1,496
Deferred capital allocations	749	35	-	14
Current portion of long term debt	1,333	1,024	684	404
	9,765	5,754	2,202	3,130
School generated funds	825	460	223	439
Trust liabilities	76	613	583	88
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	12,401	8,421	4,239	3,189
Unamortized capital allocations	11,832	7,530	14,712	13,984
Total Liabilities	34,899	22,778	21,959	20,830
Net Assets:				
Unrestricted net Assets	379	903	707	596
Operating reserves	3,071	3,361	3,837	991
Accumulated operating surplus (deficit)	3,450	4,264	4,544	1,587
Investment in capital Assets	7,830	3,334	3,555	5,478
Capital reserves	3,989	960	1,523	34
Total capital funds	11,819	4,294	5,078	5,512
Total Net Assets	15,269	8,558	9,622	7,099
	$ 50,168	$ 31,336	$ 31,581	$ 27,929

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Red Deer Catholic Reg. Div. #39	Red Deer School Dist. # 104	Rocky View School Div. #41	St. Albert PSSD #6
Assets				
Current:				
Cash and temporary investments	$ 8,432	$ 29,804	$ 26,534	$ 7,608
Accounts receivable (net after allowances)	2,195	3,763	1,091	2,536
Prepaid expenses	656	267	186	138
Other current Assets	18	264	96	-
	11,301	34,098	27,907	10,282
School generated Assets	530	1,395	2,327	656
Trust Assets	190	415	370	189
Capital Assets	48,372	43,400	120,120	30,774
Total Assets	$ 60,393	$ 79,308	$ 150,724	$ 41,901
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	378	$ -
Accounts payable and accrued liabilities	1,554	2,943	8,734	4,166
Deferred revenue	910	1,631	4,992	1,612
Deferred capital allocations	6,778	25,467	5,262	1,479
Current portion of long term debt	876	2,185	3,535	1,405
	10,118	32,226	22,901	8,662
School generated funds	530	1,395	2,327	656
Trust liabilities	190	415	370	189
Unfunded pension liability-Local Authorities Pension Plan	134	-	-	-
Long term debt	6,196	18,414	23,966	11,962
Unamortized capital allocations	38,776	16,725	87,452	13,065
Total Liabilities	55,944	69,175	137,016	34,534
Net Assets:				
Unrestricted net Assets	-	1,365	1,854	226
Operating reserves	850	2,619	4,972	2,587
Accumulated operating surplus (deficit)	850	3,984	6,826	2,813
Investment in capital Assets	2,524	6,077	5,168	4,342
Capital reserves	1,075	72	1,714	212
Total capital funds	3,599	6,149	6,882	4,554
Total Net Assets	4,449	10,133	13,708	7,367
	$ 60,393	$ 79,308	$ 150,724	$ 41,901

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	St. Paul Education Reg. Div. #1	St. Thomas Aquinas RCS Reg. Div. #38	Sturgeon School Div. #24	Suzuki Charter School Society
Assets				
Current:				
Cash and temporary investments	$ 9,416	$ 4,296	$ 8,021	$ 34
Accounts receivable (net after allowances)	1,218	1,284	663	28
Prepaid expenses	218	158	362	3
Other current Assets	-	108	-	-
	10,852	5,846	9,046	65
School generated Assets	495	147	296	89
Trust Assets	35	61	82	-
Capital Assets	15,002	16,013	27,241	156
Total Assets	$ 26,384	$ 22,067	$ 36,665	$ 310
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	2,341	1,643	2,267	27
Deferred revenue	811	901	827	8
Deferred capital allocations	3,612	1,818	2,106	-
Current portion of long term debt	549	645	1,091	12
	7,313	5,007	6,291	47
School generated funds	495	147	296	89
Trust liabilities	35	61	82	-
Unfunded pension liability-Local Authorities Pension Plan	-	-	-	-
Long term debt	4,368	5,848	4,406	39
Unamortized capital allocations	8,440	8,468	19,107	-
Total Liabilities	20,651	19,531	30,182	175
Net Assets:				
Unrestricted net Assets	502	83	139	50
Operating reserves	3,482	1,401	3,325	-
Accumulated operating surplus (deficit)	3,984	1,484	3,464	50
Investment in capital Assets	1,645	1,052	2,637	85
Capital reserves	104	-	382	-
Total capital funds	1,749	1,052	3,019	85
Total Net Assets	5,733	2,536	6,483	135
	$ 26,384	$ 22,067	$ 36,665	$ 310

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Westwind School Div. #74	Wetaskiwin Reg. Div. #11	Wild Rose School Div. #66	Wolf Creek School Div. #72
Assets				
Current:				
Cash and temporary investments	$ 7,631	$ 16,678	$ 20,627	$ 33,768
Accounts receivable (net after allowances)	1,285	2,486	1,621	1,098
Prepaid expenses	71	164	228	486
Other current Assets	-	231	108	3
	8,987	19,559	22,584	35,355
School generated Assets	664	610	804	917
Trust Assets	384	366	60	607
Capital Assets	21,842	27,652	45,007	30,948
Total Assets	$ 31,877	$ 48,187	$ 68,455	$ 67,827
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ -	$ -	$ -	$ -
Accounts payable and accrued liabilities	2,098	4,250	3,335	3,041
Deferred revenue	1,192	1,225	2,202	1,445
Deferred capital allocations	2,322	10,177	11,493	19,773
Current portion of long term debt	785	973	1,089	628
	6,397	16,625	18,119	24,887
School generated funds	664	610	804	917
Trust liabilities	384	366	60	607
Unfunded pension liability-Local Authorities Pension Plan	110	-	-	-
Long term debt	6,840	8,777	7,002	4,540
Unamortized capital allocations	11,945	15,836	28,350	20,927
Total Liabilities	26,340	42,214	54,335	51,878
Net Assets:				
Unrestricted net Assets	929	-	2,089	1,459
Operating reserves	1,755	3,522	2,184	6,912
Accumulated operating surplus (deficit)	2,684	3,522	4,273	8,371
Investment in capital Assets	2,271	2,067	8,566	4,853
Capital reserves	582	384	1,281	2,725
Total capital funds	2,853	2,451	9,847	7,578
Total Net Assets	5,537	5,973	14,120	15,949
	$ 31,877	$ 48,187	$ 68,455	$ 67,827

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

	(in thousands)	
	2002 Actual Totals	**2001 Actual Totals (As restated)**
Assets		
Current:		
Cash and temporary investments	$ 863,719	$ 685,610
Accounts receivable (net after allowances)	170,731	167,786
Prepaid expenses	24,896	22,113
Other current Assets	20,470	13,819
	1,079,816	889,328
School generated Assets	49,404	47,599
Trust Assets	17,438	15,701
Capital Assets	2,626,914	2,481,806
Total Assets	$ 3,773,572	$ 3,434,434
Liabilities and Net Assets		
Current:		
Bank indebtedness	$ 7,668	$ 10,616
Accounts payable and accrued liabilities	319,629	273,471
Deferred revenue	140,892	138,890
Deferred capital allocations	374,285	235,398
Current portion of long term debt	90,312	97,695
	932,786	756,070
School generated funds	49,404	47,599
Trust liabilities	17,438	15,701
Unfunded pension liability-Local Authorities Pension Plan	11,455	6,302
Long term debt	585,753	675,774
Unamortized capital allocations	1,557,143	1,340,070
Total Liabilities	3,153,979	2,841,516
Net Assets:		
Unrestricted net Assets	48,587	53,628
Operating reserves	128,438	126,196
Accumulated operating surplus (deficit)	177,025	179,824
Investment in capital Assets	386,386	367,129
Capital reserves	56,182	45,965
Total capital funds	442,568	413,094
Total Net Assets	619,593	592,918
	$ 3,773,572	$ 3,434,434

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	ABC Charter Public School Society	Almadina School Society	Aspen View Reg. Div. #19	Aurora Charter School Ltd.
Revenue:				
Alberta Learning	$ 3,409	$ 1,995	$ 24,464	$ 1,994
Alberta Infrastructure	643	492	1,726	269
Other Government of Alberta	-	-	620	-
Federal government and/or First Nations	-	-	711	-
Other	168	-	-	-
Instruction fees	60	-	229	26
Transportation fees	127	17	-	23
Other sales and services	30	-	453	15
Interest on investments	3	3	125	36
Gifts and donations	59	1	12	-
Rentals of facilities	3	-	46	-
Net school generated funds	73	-	795	89
Gains on disposals of capital Assets	-	-	-	-
Amortization of capital allocations	-	-	751	-
	4,575	2,508	29,932	2,452
Expense:				
Salaries, wages and benefits	2,736	1,650	18,525	1,438
Services, contracts and supplies	1,721	951	8,401	421
Net school generated funds	73	-	795	89
Amortization	-	-	1,050	29
Debt servicing	-	-	535	1
Losses on disposals of capital assets				
	4,530	2,601	29,306	1,978
Surplus(Deficit) of revenues over expenses	-	-	-	-
before funding allocated for capital purposes	45	(93)	626	474
Funding used for capital purposes	-	-	-	-
Surplus(Deficit) of revenue over expense	$ 45	$ (93)	$ 626	$ 474
Changes in Financial Position:				
Cash generated by operations	$ 330	$ (55)	$ 3,531	$ 408
Cash generated (used) by investing activities	-	-	(2,039)	-
Cash generated by financing activities	-	-	688	-
Net sources (uses) of cash equivalents during year	330	(55)	2,180	408
Cash equivalents, at the beginning of the year, net of bank indebtedness	313	99	5,926	1,721
Cash equivalents, at the end of the year, net of bank indebtedness	$ 643	$ 44	$ 8,106	$ 2,129

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Battle River Reg. Div. #31	Black Gold Reg. Div. #18	Boyle Street Education Centre	Buffalo Trail Reg. Div. # 28
Revenue:				
Alberta Learning	$ 48,099	$ 50,870	$ 1,049	$ 33,043
Alberta Infrastructure	2,610	3,244	23	2,615
Other Government of Alberta	1,607	1,997	-	1,430
Federal government and/or First Nations	-	94	8	2
Other	-	176	-	-
Instruction fees	556	526	-	389
Transportation fees	17	73	-	35
Other sales and services	498	173	-	269
Interest on investments	367	230	10	265
Gifts and donations	11	4	8	71
Rentals of facilities	15	108	-	-
Net school generated funds	797	1,862	2	589
Gains on disposals of capital Assets	67	143	-	-
Amortization of capital allocations	1,367	2,174	-	1,724
	56,011	61,674	1,100	40,432
Expense:				
Salaries, wages and benefits	38,596	43,364	835	25,471
Services, contracts and supplies	10,990	11,762	242	10,758
Net school generated funds	797	1,862	2	589
Amortization	3,200	2,633	-	1,862
Debt servicing	1,362	1,811	-	1,422
Losses on disposals of capital assets	-	-	-	-
	54,945	61,432	1,079	40,102
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	1,066	242	21	330
Funding used for capital purposes	460	-	-	-
Surplus(Deficit) of revenue over expense	$ 1,526	$ 242	$ 21	$ 330
Changes in Financial Position:				
Cash generated by operations	$ 3,201	$ (306)	$ (339)	$ 589
Cash generated (used) by investing activities	(2,408)	(1,191)	-	(4,410)
Cash generated by financing activities	1,010	12,506	-	4,139
Net sources (uses) of cash equivalents during year	1,803	11,009	(339)	318
Cash equivalents, at the beginning of the year, net of bank indebtedness	14,947	8,183	644	11,908
Cash equivalents, at the end of the year, net of bank indebtedness	$ 16,750	$ 19,192	$ 305	$ 12,226

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	CAPE-Centre for Academic and Personal Excellence Institute	Calgary RCSSD #1	Calgary School Dist. #19	Calgary Science School Society
Revenue:				
Alberta Learning	$ 769	$ 232,119	$ 556,340	$ 1,396
Alberta Infrastructure	104	13,358	29,933	231
Other Government of Alberta	-	4,139	10,446	-
Federal government and/or First Nations	-	677	1,563	-
Other	-	-	1,995	-
Instruction fees	12	251	6,350	96
Transportation fees	-	-	3,534	-
Other sales and services	33	2,341	18,136	2
Interest on investments	17	936	2,004	6
Gifts and donations	27	-	931	5
Rentals of facilities	-	1,358	2,916	-
Net school generated funds	-	2,711	7,863	-
Gains on disposals of capital Assets	-	-	5,579	-
Amortization of capital allocations	-	8,059	12,776	-
	962	265,949	660,366	1,736
Expense:				
Salaries, wages and benefits	698	208,226	514,838	919
Services, contracts and supplies	257	46,792	96,442	704
Net school generated funds	-	2,711	7,863	-
Amortization	3	12,353	18,848	-
Debt servicing	2	3,950	9,778	-
Losses on disposals of capital assets	-	-	-	-
	960	274,032	647,769	1,623
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	2	(8,083)	12,597	113
Funding used for capital purposes	-	795	-	-
Surplus(Deficit) of revenue over expense	$ 2	$ (7,288)	$ 12,597	$ 113
Changes in Financial Position:				
Cash generated by operations	$ (638)	$ (7,794)	$ 38,620	$ (47)
Cash generated (used) by investing activities	(39)	(15,086)	(26,817)	-
Cash generated by financing activities	34	27,171	46,654	-
Net sources (uses) of cash equivalents during year	(643)	4,291	58,457	(47)
Cash equivalents, at the beginning of the year, net of bank indebtedness	652	61,144	41,937	207
Cash equivalents, at the end of the year, net of bank indebtedness	$ 9	$ 65,435	$ 100,394	$ 160

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Canadian Rockies Reg. Div. #12	Chinook's Edge School Div. #73	Christ the Redeemer CS Reg. Div. #3	Clearview School Div. #71
Revenue:				
Alberta Learning	$ 14,759	$ 63,786	$ 23,598	$ 19,084
Alberta Infrastructure	871	3,621	1,141	1,072
Other Government of Alberta	1,646	1,180	770	703
Federal government and/or First Nations	1,637	128	-	2
Other	-	210	37	3
Instruction fees	269	914	240	149
Transportation fees	-	-	-	13
Other sales and services	122	266	41	360
Interest on investments	15	365	135	137
Gifts and donations	33	158	24	64
Rentals of facilities	106	38	10	38
Net school generated funds	133	753	485	398
Gains on disposals of capital Assets	-	13	-	7
Amortization of capital allocations	1,088	2,463	1,467	1,016
	20,679	73,895	27,948	23,046
Expense:				
Salaries, wages and benefits	14,776	55,622	19,566	16,225
Services, contracts and supplies	3,084	13,397	6,284	4,220
Net school generated funds	133	753	485	398
Amortization	1,128	3,481	2,185	1,593
Debt servicing	1,528	892	699	600
Losses on disposals of capital assets	274	36	-	-
	20,923	74,181	29,219	23,036
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	(244)	(286)	(1,271)	10
Funding used for capital purposes	-	620	324	-
Surplus(Deficit) of revenue over expense	$ (244)	$ 334	$ (947)	$ 10
Changes in Financial Position:				
Cash generated by operations	$ 663	$ (1,165)	$ 897	$ 1,028
Cash generated (used) by investing activities	(1,502)	(4,009)	(11,986)	(1,330)
Cash generated by financing activities	843	6,842	6,000	2,666
Net sources (uses) of cash equivalents during year	4	1,668	(5,089)	2,364
Cash equivalents, at the beginning of the year, net of bank indebtedness	5,654	18,010	13,001	11,444
Cash equivalents, at the end of the year, net of bank indebtedness	$ 5,658	$ 19,678	$ 7,912	$ 13,808

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	East Central Alberta CS Schools Reg. Div. #16	East Central Francophone Educ.Region #3	Edmonton CSSD #7	Edmonton School Dist. #7
Revenue:				
Alberta Learning	$ 16,523	$ 4,585	$ 178,828	$ 447,319
Alberta Infrastructure	643	337	10,672	21,461
Other Government of Alberta	220	27	1,998	9,153
Federal government and/or First Nations	7	25	1,199	1,607
Other	11	6	420	2,009
Instruction fees	102	23	4,495	1,793
Transportation fees	9	3	1,961	4,106
Other sales and services	2,222	-	3,987	20,196
Interest on investments	91	49	1,443	2,018
Gifts and donations	106	-	14	2,968
Rentals of facilities	-	-	2,003	1,979
Net school generated funds	381	57	3,628	3,173
Gains on disposals of capital Assets	-	3	3	14
Amortization of capital allocations	216	283	4,561	13,314
	20,531	5,398	215,212	531,110
Expense:				
Salaries, wages and benefits	13,186	3,573	161,888	403,230
Services, contracts and supplies	7,009	1,615	43,169	93,866
Net school generated funds	381	57	3,628	3,173
Amortization	273	290	5,856	27,223
Debt servicing	178	15	1,839	6,304
Losses on disposals of capital assets	-	-	54	-
	21,027	5,550	216,434	533,796
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	(496)	(152)	(1,222)	(2,686)
Funding used for capital purposes	-	41	-	9,526
Surplus(Deficit) of revenue over expense	$ (496)	$ (111)	$ (1,222)	$ 6,840
Changes in Financial Position:				
Cash generated by operations	$ (3,038)	$ 1,004	$ 5,069	$ 26,501
Cash generated (used) by investing activities	(3,099)	(4,275)	(7,362)	(42,211)
Cash generated by financing activities	1,615	2,907	23,158	30,777
Net sources (uses) of cash equivalents during year	(4,522)	(364)	20,865	15,067
Cash equivalents, at the beginning of the year, net of bank indebtedness	7,303	8,068	25,047	44,260
Cash equivalents, at the end of the year, net of bank indebtedness	$ 2,781	$ 7,704	$ 45,912	$ 59,327

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Elk Island CS Reg. Div. #41	Elk Island Public Schools Reg. Div. #14	Evergreen CS Reg. Div. #2	Foothills School Div. #38
Revenue:				
Alberta Learning	$ 33,890	$ 92,861	$ 11,577	$ 39,630
Alberta Infrastructure	1,607	6,535	672	2,418
Other Government of Alberta	1,280	1,639	679	1,270
Federal government and/or First Nations	80	116	37	165
Other	-	208	-	123
Instruction fees	321	698	161	409
Transportation fees	80	104	-	8
Other sales and services	586	3,160	71	420
Interest on investments	88	374	84	110
Gifts and donations	19	12	23	-
Rentals of facilities	43	171	-	41
Net school generated funds	160	761	138	585
Gains on disposals of capital Assets	1	-	-	10
Amortization of capital allocations	1,445	2,262	650	1,896
	39,600	108,901	14,092	47,085
Expense:				
Salaries, wages and benefits	30,921	77,876	10,224	33,695
Services, contracts and supplies	5,465	25,344	2,004	8,024
Net school generated funds	160	761	138	585
Amortization	1,907	3,033	834	3,448
Debt servicing	1,276	1,561	583	1,217
Losses on disposals of capital assets	-	-	-	-
	39,729	108,575	13,783	46,969
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	(129)	326	309	116
Funding used for capital purposes	-	-	-	68
Surplus(Deficit) of revenue over expense	$ (129)	$ 326	$ 309	$ 184
Changes in Financial Position:				
Cash generated by operations	$ 96	$ 1,288	$ 718	$ 2,199
Cash generated (used) by investing activities	(3,476)	(1,757)	(1,660)	(3,527)
Cash generated by financing activities	2,735	116	9,666	8,511
Net sources (uses) of cash equivalents during year	(645)	(353)	8,724	7,183
Cash equivalents, at the beginning of the year, net of bank indebtedness	4,335	11,978	4,534	4,720
Cash equivalents, at the end of the year, net of bank indebtedness	$ 3,690	$ 11,625	$ 13,258	$ 11,903

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Fort McMurray RCSSD #32	Fort McMurray School Dist. #2833	Fort Vermilion School Div. # 52	Foundations for the Future Charter School Society
Revenue:				
Alberta Learning	$ 23,498	$ 29,028	$ 23,341	$ 4,199
Alberta Infrastructure	981	1,547	910	783
Other Government of Alberta	841	618	1,377	-
Federal government and/or First Nations	134	315	3,278	3
Other	-	-	141	-
Instruction fees	160	197	33	57
Transportation fees	95	161	-	210
Other sales and services	17	-	217	54
Interest on investments	264	142	118	9
Gifts and donations	92	113	32	5
Rentals of facilities	53	71	244	-
Net school generated funds	95	441	223	54
Gains on disposals of capital Assets	5	-	12	-
Amortization of capital allocations	965	1,442	1,858	-
	27,200	34,075	31,784	5,374
Expense:				
Salaries, wages and benefits	20,470	25,057	21,799	3,209
Services, contracts and supplies	4,729	6,626	6,195	2,092
Net school generated funds	95	441	223	54
Amortization	2,071	1,677	2,776	8
Debt servicing	836	581	1,032	-
Losses on disposals of capital assets	-	-	-	-
	28,201	34,382	32,025	5,363
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	(1,001)	(307)	(241)	11
Funding used for capital purposes	-	-	1,209	-
Surplus(Deficit) of revenue over expense	$ (1,001)	$ (307)	$ 968	$ 11
Changes in Financial Position:				
Cash generated by operations	$ (5,733)	$ 953	$ 4,932	$ (317)
Cash generated (used) by investing activities	(708)	(435)	(9,828)	(17)
Cash generated by financing activities	3,164	2,273	1,878	(2)
Net sources (uses) of cash equivalents during year	(3,277)	2,791	(3,018)	(336)
Cash equivalents, at the beginning of the year, net of bank indebtedness	12,135	4,658	7,620	487
Cash equivalents, at the end of the year, net of bank indebtedness	$ 8,858	$ 7,449	$ 4,602	$ 151

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Golden Hills School Div. #75	Grande Prairie Public School Dist. #2357	Grande Prairie RCSSD #28	Grande Yellowhead Reg. Div. #35
Revenue:				
Alberta Learning	$ 39,062	$ 32,368	$ 17,756	$ 35,751
Alberta Infrastructure	1,934	1,601	1,051	2,194
Other Government of Alberta	1,005	1,819	1,114	1,498
Federal government and/or First Nations	1,245	1	-	19
Other	60	401	-	150
Instruction fees	503	299	107	404
Transportation fees	-	-	2	22
Other sales and services	361	448	43	186
Interest on investments	108	54	58	254
Gifts and donations	3	16	40	10
Rentals of facilities	75	14	31	14
Net school generated funds	1,448	624	14	301
Gains on disposals of capital Assets	4	-	-	9
Amortization of capital allocations	1,815	2,090	1,209	1,459
	47,623	39,735	21,425	42,271
Expense:				
Salaries, wages and benefits	35,083	29,485	15,480	28,344
Services, contracts and supplies	7,732	6,311	3,885	8,522
Net school generated funds	1,448	624	14	301
Amortization	2,221	2,247	1,261	2,250
Debt servicing	795	1,546	957	1,447
Losses on disposals of capital assets	-	-	-	-
	47,279	40,213	21,597	40,864
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	344	(478)	(172)	1,407
Funding used for capital purposes	144	-	647	15
Surplus(Deficit) of revenue over expense	$ 488	$ (478)	$ 475	$ 1,422
Changes in Financial Position:				
Cash generated by operations	$ (276)	$ 531	$ (3,290)	$ 2,563
Cash generated (used) by investing activities	(4,537)	(2,571)	(2,246)	(1,409)
Cash generated by financing activities	7,141	2,080	3,171	270
Net sources (uses) of cash equivalents during year	2,328	40	(2,365)	1,424
Cash equivalents, at the beginning of the year, net of bank indebtedness	3,306	507	4,597	7,068
Cash equivalents, at the end of the year, net of bank indebtedness	$ 5,634	$ 547	$ 2,232	$ 8,492

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Grasslands Reg. Div. #6	Greater North Central Francophone Educ. Reg. #2	Greater Southern Public Francophone Educ. Reg. #4	Greater Southern Sep. Catholic Francophone Educ. Reg. #4
Revenue:				
Alberta Learning	$ 24,060	$ 13,115	$ 4,190	$ 4,028
Alberta Infrastructure	1,736	1,049	603	134
Other Government of Alberta	900	25	-	5
Federal government and/or First Nations	671	277	13	2
Other	2	87	3	-
instruction fees	272	358	37	-
Transportation fees	-	-	-	-
Other sales and services	105	113	-	2
Interest on investments	174	106	1	20
Gifts and donations	63	3	-	-
Rentals of facilities	78	30	1	-
Net school generated funds	230	187	20	16
Gains on disposals of capital Assets	2	-	-	-
Amortization of capital allocations	809	983	-	-
	29,102	16,333	4,868	4,207
Expense:				
Salaries, wages and benefits	21,009	9,185	2,730	2,529
Services, contracts and supplies	5,460	5,575	1,801	1,269
Net school generated funds	230	187	20	16
Amortization	1,140	1,020	3	1
Debt servicing	816	22	1	-
Losses on disposals of capital assets	-	26	-	-
	28,655	16,015	4,555	3,815
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	447	318	313	392
Funding used for capital purposes	5	-	-	-
Surplus(Deficit) of revenue over expense	$ 452	$ 318	$ 313	$ 392
Changes in Financial Position:				
Cash generated by operations	$ 1,719	$ (1,542)	$ 1,028	$ (125)
Cash generated (used) by investing activities	(1,925)	(7,200)	(4,276)	(6)
Cash generated by financing activities	1,684	4,990	2,790	-
Net sources (uses) of cash equivalents during year	1,478	(3,752)	(458)	(131)
Cash equivalents, at the beginning of the year, net of bank indebtedness	7,158	9,940	2,211	1,128
Cash equivalents, at the end of the year, net of bank indebtedness	$ 8,636	$ 6,188	$ 1,753	$ 997

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Greater St. Albert Catholic Reg. Div. #29	High Prairie School Div. #48	Holy Family Catholic Reg. Div. #37	Holy Spirit RCS Reg. Div. #4
Revenue:				
Alberta Learning	$ 42,062	$ 24,800	$ 14,686	$ 25,916
Alberta Infrastructure	2,513	1,412	965	1,339
Other Government of Alberta	1,648	700	1,010	548
Federal government and/or First Nations	221	1,571	1,526	1,274
Other	27	229	35	2
Instruction fees	801	227	115	156
Transportation fees	256	147	-	-
Other sales and services	552	190	146	8
Interest on investments	110	167	153	89
Gifts and donations	-	-	78	46
Rentals of facilities	6	6	20	4
Net school generated funds	275	304	480	346
Gains on disposals of capital Assets	-	11	5	-
Amortization of capital allocations	1,609	595	732	951
	50,080	30,359	19,951	30,679
Expense:				
Salaries, wages and benefits	34,157	21,728	13,267	23,208
Services, contracts and supplies	12,112	5,874	3,816	5,063
Net school generated funds	275	304	480	346
Amortization	2,147	1,116	987	1,029
Debt servicing	1,684	437	808	547
Losses on disposals of capital assets	-	-	-	7
	50,375	29,459	19,358	30,200
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	(295)	900	593	479
Funding used for capital purposes	266	-	48	-
Surplus(Deficit) of revenue over expense	$ (29)	$ 900	$ 641	$ 479
Changes in Financial Position:				
Cash generated by operations	$ 1,261	$ 2,831	$ 339	$ 973
Cash generated (used) by investing activities	(309)	(7,386)	(4,121)	(5,418)
Cash generated by financing activities	(166)	4,350	1,116	14,863
Net sources (uses) of cash equivalents during year	786	(205)	(2,666)	10,418
Cash equivalents, at the beginning of the year, net of bank indebtedness	2,811	11,581	6,725	9,920
Cash equivalents, at the end of the year, net of bank indebtedness	$ 3,597	$ 11,376	$ 4,059	$ 20,338

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Horizon School Div. #67	Lakeland RCSSD #150	Lethbridge School Dist. #51	Living Waters Catholic Reg. Div.#42
Revenue:				
Alberta Learning	$ 23,753	$ 12,687	$ 46,259	$ 13,543
Alberta Infrastructure	1,536	813	2,890	1,263
Other Government of Alberta	302	502	1,875	606
Federal government and/or First Nations	-	665	493	-
Other	-	(2)	-	-
Instruction fees	228	55	389	-
Transportation fees	13	-	-	9
Other sales and services	56	41	242	56
Interest on investments	241	128	217	84
Gifts and donations	142	24	41	2
Rentals of facilities	13	-	16	-
Net school generated funds	1,043	372	956	399
Gains on disposals of capital Assets	1	-	-	-
Amortization of capital allocations	365	653	955	649
	27,693	15,938	54,333	16,611
Expense:				
Salaries, wages and benefits	18,904	11,159	41,755	11,205
Services, contracts and supplies	6,794	2,942	7,900	3,954
Net school generated funds	1,043	372	956	399
Amortization	632	763	1,053	697
Debt servicing	174	374	1,301	601
Losses on disposals of capital assets	17	8	-	-
	27,564	15,618	52,965	16,856
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	129	320	1,368	(245)
Funding used for capital purposes	-	10	10	-
Surplus(Deficit) of revenue over expense	$ 129	$ 330	$ 1,378	$ (245)
Changes in Financial Position:				
Cash generated by operations	$ (628)	$ (111)	$ 2,999	$ (580)
Cash generated (used) by investing activities	(2,316)	(521)	(4,869)	(253)
Cash generated by financing activities	2,923	320	10,325	1,290
Net sources (uses) of cash equivalents during year	(21)	(312)	8,455	457
Cash equivalents, at the beginning of the year, net of bank indebtedness	9,149	4,630	10,369	8,477
Cash equivalents, at the end of the year, net of bank indebtedness	$ 9,128	$ 4,318	$ 18,824	$ 8,934

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Livingstone Range School Div. #68	Medicine Hat CS Reg. Div. #20	Medicine Hat School Dist. #76	Moberly Hall School Society
Revenue:				
Alberta Learning	$ 27,513	$ 15,655	$ 37,466	$ 504
Alberta Infrastructure	1,200	844	2,171	60
Other Government of Alberta	503	247	877	-
Federal government and/or First Nations	2,088	-	21	-
Other	-	78	183	-
Instruction fees	215	134	399	3
Transportation fees	-	-	-	14
Other sales and services	819	41	468	1
Interest on investments	123	44	135	4
Gifts and donations	25	2	64	-
Rentals of facilities	46	138	84	2
Net school generated funds	740	243	1,657	-
Gains on disposals of capital Assets	6	-	7	-
Amortization of capital allocations	1,148	397	1,062	-
	34,426	17,823	44,594	588
Expense:				
Salaries, wages and benefits	25,469	13,983	34,404	386
Services, contracts and supplies	7,403	3,227	6,488	194
Net school generated funds	740	243	1,657	-
Amortization	1,542	408	1,313	1
Debt servicing	502	225	788	-
Losses on disposals of capital assets	29	-	-	-
	35,685	18,086	44,650	581
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	(1,259)	(263)	(56)	7
Funding used for capital purposes	-	-	279	-
Surplus(Deficit) of revenue over expense	$ (1,259)	$ (263)	$ 223	$ 7
Changes in Financial Position:				
Cash generated by operations	$ (253)	$ (1,042)	$ 609	$ (22)
Cash generated (used) by investing activities	(7,619)	(1,689)	(6,378)	-
Cash generated by financing activities	10,142	5,493	1,347	-
Net sources (uses) of cash equivalents during year	2,270	2,762	(4,422)	(22)
Cash equivalents, at the beginning of the year, net of bank indebtedness	14,793	3,682	12,431	214
Cash equivalents, at the end of the year, net of bank indebtedness	$ 17,063	$ 6,444	$ 8,009	$ 192

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	New Horizons Charter School Society	Northern Gateway Reg. Div. #10	Northern Lights School Div. #69	Northland School Div. #61
Revenue:				
Alberta Learning	$ 640	$ 34,882	$ 42,156	$ 22,537
Alberta Infrastructure	97	1,707	2,608	1,080
Other Government of Alberta	-	1,836	1,755	3,872
Federal government and/or First Nations	-	960	1,611	14,553
Other	-	16	58	-
Instruction fees	13	213	-	-
Transportation fees	-	26	96	-
Other sales and services	-	116	679	220
Interest on investments	3	123	175	174
Gifts and donations	-	-	17	81
Rentals of facilities	6	136	34	702
Net school generated funds	2	832	577	670
Gains on disposals of capital Assets	-	14	8	33
Amortization of capital allocations	-	1,481	1,369	2,349
	761	42,342	51,143	46,271
Expense:				
Salaries, wages and benefits	534	28,525	31,994	29,309
Services, contracts and supplies	197	10,157	12,977	11,515
Net school generated funds	2	832	577	670
Amortization	10	2,370	1,992	3,021
Debt servicing	2	1,208	1,397	2,000
Losses on disposals of capital assets	-	-	-	191
	745	43,092	48,937	46,706
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	16	(750)	2,206	(435)
Funding used for capital purposes	-	-	14	-
Surplus(Deficit) of revenue over expense	$ 16	$ (750)	$ 2,220	$ (435)
Changes in Financial Position:				
Cash generated by operations	$ 28	$ 16	$ 3,636	$ 3,268
Cash generated (used) by investing activities	-	(619)	(4,379)	(8,113)
Cash generated by financing activities	-	(187)	3,600	4,045
Net sources (uses) of cash equivalents during year	28	(790)	2,857	(800)
Cash equivalents, at the beginning of the year, net of bank indebtedness	123	3,755	13,183	11,656
Cash equivalents, at the end of the year, net of bank indebtedness	$ 151	$ 2,965	$ 16,040	$ 10,856

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Northwest Francophone Educ.Region #1	Palliser Reg. Div. #26	Parkland School Div. #70	Peace River School Div. #10
Revenue:				
Alberta Learning	$ 2,933	$ 25,322	$ 57,500	$ 25,587
Alberta Infrastructure	137	1,602	3,010	1,476
Other Government of Alberta	40	686	1,551	1,423
Federal government and/or First Nations	60	514	1,493	139
Other	-	26	66	-
Instruction fees	12	214	575	310
Transportation fees	-	16	109	26
Other sales and services	29	410	827	421
Interest on investments	43	210	245	132
Gifts and donations	4	17	-	99
Rentals of facilities	-	353	7	72
Net school generated funds	7	186	566	393
Gains on disposals of capital Assets	-	30	6	52
Amortization of capital allocations	439	598	2,223	1,346
	3,704	30,184	68,178	31,476
Expense:				
Salaries, wages and benefits	2,042	23,693	47,779	20,792
Services, contracts and supplies	1,094	5,344	15,486	6,410
Net school generated funds	7	186	566	393
Amortization	212	1,285	2,785	1,945
Debt servicing	41	654	1,391	1,137
Losses on disposals of capital assets	276	-	12	3
	3,672	31,162	68,007	30,677
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	32	(978)	171	799
Funding used for capital purposes	-	8	-	406
Surplus(Deficit) of revenue over expense	$ 32	$ (970)	$ 171	$ 1,205
Changes in Financial Position:				
Cash generated by operations	$ 323	$ (1,705)	$ 2,302	$ 3,896
Cash generated (used) by investing activities	(550)	(8,245)	(2,209)	(4,459)
Cash generated by financing activities	262	2,917	889	3,490
Net sources (uses) of cash equivalents during year	35	(7,033)	982	2,927
Cash equivalents, at the beginning of the year, net of bank indebtedness	1,894	10,332	9,478	7,425
Cash equivalents, at the end of the year, net of bank indebtedness	$ 1,929	$ 3,299	$ 10,460	$ 10,352

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Peace Wapiti Reg. Div. #33	Pembina Hills Reg. Div. #7	Prairie Land Reg. Div. #25	Prairie Rose Reg. Div. #8
Revenue:				
Alberta Learning	$ 38,497	$ 32,930	$ 15,993	$ 29,961
Alberta Infrastructure	2,430	1,861	1,120	1,267
Other Government of Alberta	1,934	1,855	571	389
Federal government and/or First Nations	737	47	5	179
Other	333	18	174	175
Instruction fees	418	381	179	213
Transportation fees	-	106	-	24
Other sales and services	628	855	89	26
Interest on investments	475	348	216	89
Gifts and donations	25	13	19	61
Rentals of facilities	5	42	109	145
Net school generated funds	814	783	251	239
Gains on disposals of capital Assets	54	6	41	3
Amortization of capital allocations	1,287	877	793	875
	47,637	40,122	19,560	33,646
Expense:				
Salaries, wages and benefits	31,725	26,166	13,798	22,321
Services, contracts and supplies	10,594	9,447	3,994	9,101
Net school generated funds	814	783	251	239
Amortization	2,412	1,268	1,316	1,104
Debt servicing	1,477	1,704	476	389
Losses on disposals of capital assets	-	7	21	-
	47,022	39,375	19,856	33,154
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	615	747	(296)	492
Funding used for capital purposes	-	-	-	290
Surplus(Deficit) of revenue over expense	$ 615	$ 747	$ (296)	$ 782
Changes in Financial Position:				
Cash generated by operations	$ 1,299	$ 3,097	$ 55	$ 1,450
Cash generated (used) by investing activities	(6,126)	(1,261)	(472)	(589)
Cash generated by financing activities	2,345	-	-	(11)
Net sources (uses) of cash equivalents during year	(2,482)	1,836	(417)	850
Cash equivalents, at the beginning of the year, net of bank indebtedness	15,509	5,938	7,399	2,425
Cash equivalents, at the end of the year, net of bank indebtedness	$ 13,027	$ 7,774	$ 6,982	$ 3,275

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Red Deer Catholic Reg. Div. #39	Red Deer School Dist. #104	Rocky View School Div. #41	St. Albert PSSD #6
Revenue:				
Alberta Learning	$ 30,022	$ 54,472	$ 80,506	$ 35,824
Alberta Infrastructure	2,045	3,277	4,579	2,333
Other Government of Alberta	1,080	2,476	3,396	1,682
Federal government and/or First Nations	112	9	757	75
Other	35	151	328	92
Instruction fees	294	1,030	1,608	532
Transportation fees	10	253	403	257
Other sales and services	453	1,098	453	716
Interest on investments	51	224	443	162
Gifts and donations	-	69	-	39
Rentals of facilities	6	68	355	99
Net school generated funds	178	197	715	122
Gains on disposals of capital Assets	-	-	9	3
Amortization of capital allocations	1,630	2,444	5,555	1,387
	35,916	65,768	99,107	43,323
Expense:				
Salaries, wages and benefits	25,320	49,177	66,888	32,233
Services, contracts and supplies	7,175	10,609	22,451	6,947
Net school generated funds	178	197	715	122
Amortization	1,957	3,067	6,149	1,815
Debt servicing	783	2,051	3,148	1,407
Losses on disposals of capital assets	-	-	-	-
	35,413	65,101	99,351	42,524
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	503	667	(244)	799
Funding used for capital purposes	-	-	-	130
Surplus(Deficit) of revenue over expense	$ 503	$ 667	$ (244)	$ 929
Changes in Financial Position:				
Cash generated by operations	$ 620	$ 1,374	$ 467	$ 1,699
Cash generated (used) by investing activities	(9,898)	(3,616)	(14,955)	(3,577)
Cash generated by financing activities	12,324	16,018	17,210	4,297
Net sources (uses) of cash equivalents during year	3,046	13,776	2,722	2,419
Cash equivalents, at the beginning of the year, net of bank indebtedness	5,386	16,028	23,434	5,189
Cash equivalents, at the end of the year, net of bank indebtedness	$ 8,432	$ 29,804	$ 26,156	$ 7,608

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	St. Paul Education Reg. Div. #1	St. Thomas Aquinas RCS Reg. Div. #38	Sturgeon School Div. #24	Suzuki Charter School Society
Revenue:				
Alberta Learning	$ 22,629	$ 11,896	$ 30,926	$ 627
Alberta Infrastructure	2,127	811	1,489	174
Other Government of Alberta	608	782	998	-
Federal government and/or First Nations	6,907	1,086	277	-
Other	1	61	-	-
Instruction fees	217	106	281	5
Transportation fees	38	15	-	-
Other sales and services	256	41	577	-
Interest on investments	192	96	167	-
Gifts and donations	66	1	-	14
Rentals of facilities	55	8	-	-
Net school generated funds	206	329	57	10
Gains on disposals of capital Assets	-	-	29	-
Amortization of capital allocations	593	615	1,221	-
	33,895	15,847	36,022	830
Expense:				
Salaries, wages and benefits	24,564	11,010	25,868	538
Services, contracts and supplies	7,440	2,719	7,237	237
Net school generated funds	206	329	57	10
Amortization	960	689	1,341	19
Debt servicing	551	696	638	24
Losses on disposals of capital assets	-	52	4	-
	33,721	15,495	35,145	828
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	174	352	877	2
Funding used for capital purposes	-	-	-	-
Surplus(Deficit) of revenue over expense	$ 174	$ 352	$ 877	$ 2
Changes in Financial Position:				
Cash generated by operations	$ 961	$ 1,571	$ 1,637	$ -
Cash generated (used) by investing activities	(1,338)	(1,973)	(5,678)	-
Cash generated by financing activities	4,274	2,772	2,168	(20)
Net sources (uses) of cash equivalents during year	3,897	2,370	(1,873)	(20)
Cash equivalents, at the beginning of the year, net of bank indebtedness	5,519	1,926	9,894	54
Cash equivalents, at the end of the year, net of bank indebtedness	$ 9,416	$ 4,296	$ 8,021	$ 34

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	Westwind School Div. #74	Wetaskiwin Reg. Div. #11	Wild Rose School Div. #66	Wolf Creek School Div. # 72
Revenue:				
Alberta Learning	$ 24,037	$ 29,047	$ 34,828	$ 48,273
Alberta Infrastructure	1,381	1,388	1,601	2,505
Other Government of Alberta	921	1,126	1,135	852
Federal government and/or First Nations	3,571	2,679	65	1,453
Other	144	-	40	220
Instruction fees	309	338	50	710
Transportation fees	-	6	-	94
Other sales and services	359	229	167	874
Interest on investments	192	184	250	444
Gifts and donations	6	34	91	51
Rentals of facilities	-	5	14	19
Net school generated funds	375	595	1,046	156
Gains on disposals of capital Assets	1	-	-	13
Amortization of capital allocations	796	1,234	1,606	1,542
	32,092	36,865	40,893	57,206
Expense:				
Salaries, wages and benefits	24,650	26,082	29,056	42,712
Services, contracts and supplies	5,754	7,079	6,847	10,480
Net school generated funds	375	595	1,046	156
Amortization	1,072	1,381	2,834	2,244
Debt servicing	873	1,056	895	552
Losses on disposals of capital assets	25	-	41	-
	32,749	36,193	40,719	56,144
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	(657)	672	174	1,062
Funding used for capital purposes	-	-	27	83
Surplus(Deficit) of revenue over expense	$ (657)	$ 672	$ 201	$ 1,145
Changes in Financial Position:				
Cash generated by operations	$ 800	$ 2,025	$ 2,314	$ 1,931
Cash generated (used) by investing activities	(5,758)	(3,030)	(3,499)	(3,223)
Cash generated by financing activities	4,183	4,340	1,916	19,890
Net sources (uses) of cash equivalents during year	(775)	3,335	731	18,598
Cash equivalents, at the beginning of the year, net of bank indebtedness	8,406	13,343	19,896	15,170
Cash equivalents, at the end of the year, net of bank indebtedness	$ 7,631	$ 16,678	$ 20,627	$ 33,768

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2002

(in thousands)

	2002 Actual Totals	2002 Budget Totals	2001 Actual Totals (As restated)
Revenue:			
Alberta Learning	$ 3,169,252	$ 3,255,091	$ 3,148,596
Alberta Infrastructure	179,932	42,610	48,010
Other Government of Alberta	89,792	89,569	109,891
Federal government and/or First Nations	59,164	54,618	57,715
Other	8,700	5,623	6,752
Instruction fees	31,226	27,969	31,112
Transportation fees	12,518	12,578	11,955
Other sales and services	67,070	33,467	48,852
Interest on investments	16,352	12,207	21,924
Gifts and donations	6,058	2,783	4,787
Rentals of facilities	12,061	10,065	11,363
Net school generated funds	45,207	55,008	51,649
Gains on disposals of capital Assets	6,204	203	1,811
Amortization of capital allocations	111,518	109,607	107,928
	3,815,054	3,711,398	3,662,345
Expense:			
Salaries, wages and benefits	2,798,859	2,713,449	2,624,569
Services, contracts and supplies	720,177	717,355	700,278
Net school generated funds	45,207	55,006	51,649
Amortization	162,840	155,781	153,291
Debt servicing	76,557	84,192	86,574
Losses on disposals of capital assets	1,088	-	-
	3,803,728	3,725,783	3,616,361
Surplus(Deficit) of revenues over expenses before funding allocated for capital purposes	11,326	(14,385)	45,984
Funding used for capital purposes	15,425	-	17,725
Surplus(Deficit) of revenue over expense	$ 26,751	$ (14,385)	$ 63,709
Changes in Financial Position:			
Cash generated by operations	$ 112,643		$ 179,602
Cash generated (used) by investing activities	(307,788)		(227,942)
Cash generated by financing activities	376,202		298,983
Net sources (uses) of cash equivalents during year	181,057		250,643
Cash equivalents, at the beginning of the year, net of bank indebtedness	674,994		424,351
Cash equivalents, at the end of the year, net of bank indebtedness	$ 856,051		$ 674,994

Summary of Significant Accounting Policies

Post-secondary institutions and school jurisdictions prepare their financial statements in accordance with generally accepted accounting principles for not-for-profit organizations. The following are significant accounting policies followed by these entities:

- Revenues and expenses are recognized on an accrual basis.
- Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered.
- Unrestricted contributions are recognized as revenues when received.
- Capital grants are recorded as deferred contributions until the amounts are invested in capital assets.
- Once capital grants are invested in capital assets, the amounts are transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded.
- Externally restricted non-capital contributions are deferred and recognized as revenue in the period in which the related expenses are incurred.
- Endowment contributions are recognized as direct increases in net assets in the period in which they are received.
- Contributions for capital assets that will not be amortized, such as land and art collections, are recorded as direct increases in net assets in the period the assets are acquired.
- Capital assets are recorded at cost when acquired. Capital assets are amortized based on amortization policies set by post-secondary institutions and school jurisdictions.
- Donated assets are recorded at fair value where fair value is reasonably determined.
- Inventories of merchandise for resale are valued at the lower of cost and net realizable value. Inventories of supplies for consumption are valued at the lower of cost and replacement value.
- Investments are recorded at cost or amortized cost where applicable. Gains or losses are recognized in the year of disposal or when there is other than temporary impairment in the value of the investment.

Disclosure of Salaries and Benefits for Superintendent Positions
For the Year Ended August 31, 2002

School Authority	Remuneration	Benefits & Allowances	Other	Total
Aspen View Regional Division No. 19	$87,079	$8,542	$0	$95,621
Battle River Regional Division No. 31	$119,760	$7,157	$0	$126,917
Black Gold Regional Division No. 18	$115,500	$8,157	$0	$123,657
Buffalo Trail Regional Division No. 28	$100,441	$7,882	$0	$108,323
Calgary Roman Catholic Separate School District No. 1	$137,384	$27,914	$0	$165,298
Calgary School District No. 19	$149,338	$17,540	$0	$166,878
Canadian Rockies Regional Division No. 12	$121,236	$8,058	$0	$129,294
Chinook's Edge School Division No. 73	$122,823	$7,969	$0	$130,792
Christ the Redeemer Catholic Separate Regional Division No. 3	$108,900	$9,597	$0	$118,497
Clearview School Division No. 71	$106,369	$6,623	$107,792	$220,784*
East Central Alberta Catholic Sep. Schools Regional Division No. 16	$110,070	$8,193	$0	$118,263
East Central Francophone Education Region No. 3	$57,000	$5,062	$0	$62,062***
Edmonton Catholic Separate School District No. 7	$140,156	$6,053	$0	$146,209
Edmonton School District No. 7	$135,710	$7,681	$0	$143,391
Elk Island Catholic Separate Regional Division No. 41	$108,000	$7,128	$0	$115,128
Elk Island Public Schools Regional Division No. 14	$135,375	$13,955	$0	$149,330
Evergreen Catholic Separate Regional Division No. 2	$102,720	$7,735	$0	$110,455
Foothills School Division No. 38	$115,157	$8,107	$0	$123,264
Fort McMurray Roman Catholic Separate School District No. 32	$107,400	$5,937	$3,150	$116,487
Fort McMurray School District No. 2833	$116,480	$16,974	$3,500	$136,954
Fort Vermilion School Division No. 52	$147,671	$12,212	$0	$159,883
Golden Hills School Division No. 75	$121,666	$8,769	$0	$130,435
Grande Prairie Public School District No. 2357	$108,479	$9,367	$0	$117,846
Grande Prairie Roman Catholic Separate School District No. 28	$110,583	$12,315	$16,588	$139,486*
Grande Yellowhead Regional Division No. 35	$98,040	$9,048	$0	$107,088
Grasslands Regional Division No. 6	$93,600	$8,443	$0	$102,043
Greater North Central Francophone Education Region No. 2	$115,782	$9,024	$0	$124,806
Greater Southern Public Francophone Education Region No. 4	$38,000	$3,591	$0	$41,591***
Greater Southern Sep. Catholic Francophone Education Region No. 4	$111,000	$9,215	$0	$120,215
Greater St. Albert Catholic Regional Division No. 29	$111,600	$11,113	$0	$122,713
High Prairie School Division No. 48	$111,935	$8,909	$0	$120,844
Holy Family Catholic Separate Regional Division No. 37	$109,777	$9,294	$0	$119,071
Holy Spirit Roman Catholic Separate Regional Division No. 4	$109,410	$11,376	$0	$120,786
Horizon School Division No. 67	$110,015	$8,398	$0	$118,413
Lakeland Roman Catholic Separate School District No. 150	$102,380	$7,144	$0	$109,524
Lethbridge School District No. 51	$126,242	$10,877	$0	$137,119
Living Waters Catholic Regional Division No. 42	$98,171	$9,120	$0	$107,291
Livingstone Range School Division No. 68	$110,675	$14,385	$5,000	$130,060
Medicine Hat Catholic Separate Regional Division No. 20	$113,324	$10,769	$0	$124,093
Medicine Hat School District No. 76	$125,498	$9,702	$0	$135,200
Northern Gateway Regional Division No. 10	$111,224	$8,119	$0	$119,343

* Included in superintendent's total is a retiring allowance paid during the year.

** Included in superintendent's total is a vacation payout and retiring allowance paid during the year.

*** The superintendent's position was shared during the year.

Disclosure of Salaries and Benefits for Superintendent Positions
For the Year Ended August 31, 2002

School Authority	Remuneration	Benefits & Allowances	Other	Total
Northern Lights School Division No. 69	$124,300	$9,270	$0	$133,570
Northland School Division No. 61	$100,000	$21,377	$0	$121,377
Northwest Francophone Education Region No. 1	$97,098	$8,975	$0	$106,073
Palliser Regional Division No. 26	$103,300	$8,128	$0	$111,428
Parkland School Division No. 70	$120,948	$9,990	$0	$130,938
Peace River School Division No. 10	$108,231	$8,520	$0	$116,751
Peace Wapiti Regional Division No. 33	$123,253	$8,432	$89,051	$220,736**
Pembina Hills Regional Division No. 7	$107,225	$6,239	$0	$113,464
Prairie Land Regional Division No. 25	$108,192	$8,500	$0	$116,692
Prairie Rose Regional Division No. 8	$107,195	$6,200	$0	$113,395
Red Deer Catholic Regional Division No. 39	$122,474	$8,966	$0	$131,440
Red Deer School District No. 104	$107,370	$8,338	$0	$115,708
Rocky View School Division No. 41	$123,726	$20,253	$0	$143,979
St. Albert Protestant Separate School District No. 6	$106,867	$7,888	$0	$114,755
St. Paul Education Regional Division No. 1	$100,939	$7,892	$0	$108,831
St. Thomas Aquinas Roman Catholic Sep. Regional Division No. 38	$103,000	$8,843	$0	$111,843
Sturgeon School Division No. 24	$109,000	$9,858	$0	$118,858
Westwind School Division No. 74	$107,500	$7,799	$0	$115,299
Wetaskiwin Regional Division No. 11	$102,594	$8,546	$0	$111,140
Wild Rose School Division No. 66	$102,500	$8,386	$0	$110,886
Wolf Creek School Division No. 72	$118,000	$8,342	$0	$126,342

* Included in superintendent's total is a retiring allowance paid during the year.

** Included in superintendent's total is a vacation payout and retiring allowance paid during the year.

*** The superintendent's position was shared during the year.

Footnotes:

1. This information is taken from the Audited Financial Statements submitted to Alberta Learning by the School Authority.

2. *Remuneration* includes regular base salaries, administrative allowances, overtime, lump sum payments, honoraria, deferred salary leave accruals and any other direct cash remuneration.

3. *Benefits* include the employer's share of all employee benefits and contributions or payments made on behalf of employees. This includes retirement pension, Canada Pension Plan (CPP), Employment Insurance (EI), health care, dental coverage, vision coverage, out-of-country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans.

4. *Allowances* include all monies paid to an employee as miscellaneous negotiated allowances. This category will include car or travel allowance, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships.

5. *Other* includes payments made for such things as performance bonuses, accrued vacations and termination benefits (severance pay, retiring allowances, sick leave and other settlement costs due to loss of employment).

9. Other Information

Audited Information

ALBERTA TEACHERS' RETIREMENT FUND BOARD

FINANCIAL STATEMENTS

AUGUST 31, 2002

Auditor's Report

Statement of Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency

Statement of Changes in Net Assets Available for Benefits

Statement of Changes in Accrued Pension Benefits

Notes to the Financial Statements

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Alberta Teachers' Retirement Fund Board

I have audited the Statement of Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency of the Alberta Teachers' Retirement Fund Board (the "Board") as at August 31, 2002 and the Statements of Changes in Net Assets Available for Benefits and Changes in Accrued Pension Benefits for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency of the Board as at August 31, 2002 and the Changes in Net Assets Available for Benefits and Changes in Accrued Pension Benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J. Dunn

CA
Auditor General

Edmonton, Alberta
December 3, 2002

AUDITOR GENERAL
Alberta

ALBERTA TEACHERS' RETIREMENT FUND BOARD
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED PENSION BENEFITS AND DEFICIENCY
AS AT AUGUST 31, 2002

	(in thousands)	
	2002	**2001**
Assets		
Cash	$ 3,471	$ 1,050
Investments (Note 4)	2,185,671	2,245,140
Receivables (Note 5)	38,980	19,799
Capital assets (Note 6)	1,321	1,453
	2,229,443	2,267,442
Liabilities		
Accounts payable (Note 7)	9,198	10,241
Net assets available for benefits	**2,220,245**	**2,257,201**
Adjustment for fluctuation in fair value of net assets (Note 3c)	221,255	6,099
Actuarial Value of Net Assets Available for Benefits	**2,441,500**	**2,263,300**
Actuarial Value of Accrued Pension Benefits	8,189,100	6,971,200
Deficiency (Note 11)	**$ 5,747,600**	**$ 4,707,900**

The accompanying notes are part of these financial statements.

ALBERTA TEACHERS' RETIREMENT FUND BOARD
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED AUGUST 31, 2002

	(in thousands)	
	2002	**2001**
Increase in Net Assets		
Investment income (Note 8)	$ 60,343	$ 72,454
Change in fair value of investments (Note 8)	(168,116)	(207,494)
Contributions (Note 9)		
Teachers	179,396	172,154
Province of Alberta	226,860	214,884
Employers	387	153
Past service purchases	1,738	1,347
Transfers from other plans	5,094	1,776
	413,475	390,314
Total increase in net assets	**305,702**	**255,274**
Decrease in Net Assets		
Pension benefits	320,485	297,535
Termination benefits	9,686	10,917
Transfers to other plans	4,371	2,774
Administrative expenses (Note 10)	8,116	7,564
Total decrease in net assets	**342,658**	**318,790**
Change in Net Assets for the Year	(36,956)	(63,516)
Net Assets Available for Benefits at Beginning of Year	2,257,201	2,320,717
Net Assets Available for Benefits at End of Year	**$ 2,220,245**	**$ 2,257,201**

ALBERTA TEACHERS' RETIREMENT FUND BOARD
STATEMENT OF CHANGES IN ACCRUED PENSION BENEFITS
FOR THE YEAR ENDED AUGUST 31, 2002

	(in thousands)	
	2002	**2001**
Accrued Pension Benefits at Beginning of Period	$ 6,971,200	$ 6,535,600
Increase in Accrued Pension Benefits		
Interest on accrued benefits	553,700	527,500
Benefits accrued	226,000	216,800
Experience losses	529,400	-
Changes in actuarial economic assumptions	264,500	-
Changes in actuarial demographic assumptions	(28,000)	-
	1,545,600	744,300
Decrease in Accrued Pension Benefits		
Benefits paid	(327,700)	(308,700)
Accrued Pension Benefits at End of Period	**$ 8,189,100**	**$ 6,971,200**

ALBERTA TEACHERS' RETIREMENT FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2002

NOTE 1 AUTHORITY AND NATURE OF OPERATIONS

The Alberta Teachers' Retirement Fund Board, a provincial corporation, is the trustee and administrator of the Teachers' Pension Plan and the Private School Teachers' Pension Plan (the "Plans"). The Alberta Teachers' Retirement Fund Board operates under the authority of the Teachers' Pension Plans Act, Chapter T-1.5.

NOTE 2 DESCRIPTION OF THE PENSION PLANS

The following description of the Plans is a summary only.

a) General

The Plans are contributory defined-benefit pension plans for the teachers of Alberta.

b) Guarantee

The payment of all benefits for service prior to September 1, 1992 under the Teachers' Pension Plan is guaranteed by the Province of Alberta (the "Province").

c) Funding

The determination of the value of the benefits and the required contributions for the Plans is made on the basis of periodic actuarial valuations (Note 11).

All teachers under contract with school jurisdictions and charter schools in Alberta are required to contribute to the Teachers' Pension Plan. Current service costs and related actuarial losses are funded by equal contributions from the Province and the teachers. An additional 10 percent cost-of-living adjustment for service earned after 1992, as described in Note 2(i), is funded entirely by the teachers.

NOTE 2 DESCRIPTION OF THE PENSION PLANS (CONTINUED)

The unfunded liability for service credited prior to September 1, 1992 is being funded by additional contributions in the proportions of 67.35 percent by the Province and 32.65 percent by the teachers over the period ending August 31, 2060. In accordance with an agreement reached on April 18, 2002 between the plan sponsors, the Province will pay 100 percent of these additional contributions relating to the 2002-03 fiscal year.

Certain public colleges and other designated organizations in Alberta also participate in the Teachers' Pension Plan under the same funding arrangements, except these organizations make the employer contributions in lieu of the Province.

Certain private schools participate in the Private School Teachers' Pension Plan. Plan costs are funded by contributions from the employers and the teachers.

d) Retirement Pensions

Retirement pensions are based on the number of years of pensionable service and the highest consecutive five-year average salary. Pensions are payable to teachers who retire after completion of at least five years of pensionable service, with certain restrictions, and who have attained age 65. Unreduced pensions are also payable to teachers who have reached at least age 55 and the sum of their age and service equals 85. With certain restrictions, reduced early retirement pensions are payable to teachers who retire on or after age 55 with a minimum of five years of pensionable service.

e) Disability Benefits

Teachers who are disabled after August 31, 1992 are credited with pensionable service while disabled. Teachers do not contribute to the Plans while disabled.

f) Termination Benefits

Subject to lock-in provisions, refunds and commuted value transfers are available when a teacher ceases employment.

g) Death Benefits

Death benefits are available upon the death of a teacher and may be available upon the death of a pensioner. The benefit may take the form of a lump sum payment or a survivor pension.

NOTE 2 DESCRIPTION OF THE PENSION PLANS (CONTINUED)

h) Other Provisions

Purchase of past service and reinstatement of refunded service is allowed on a basis that is cost neutral to the Plans.

i) Cost-of-Living Adjustments

Pensions payable are increased each year by an amount equal to 60 percent of the increase in the Alberta Consumer Price Index. The portion of pension earned after 1992 is increased by an additional 10 percent of the increase in the Alberta Consumer Price Index.

j) Income Taxes

The Plans are Registered Pension Plans as defined in the Income Tax Act and are not subject to income taxes. The income tax registration number is 0359125.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

a) Basis of Presentation

The financial statements are prepared on a going-concern basis in accordance with Canadian generally accepted accounting principles and present the aggregate financial position of the Plans. The statements disclose the net assets available to meet future benefit payments, and are prepared to assist participants and others in reviewing the activities of the Plans for the fiscal year. They do not reflect the benefit security of individual participants.

b) Investments

Investments are recorded as of the trade date and are stated at market value, which approximates fair value. The methods used to determine year-end fair value are explained in the following paragraphs.

- Short-term deposits are recorded at cost which approximates fair value.
- The fair value of publicly traded securities is based on market prices quoted by an independent supplier of securities related data.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

- The fair value of mortgages is based on the present value of future cash flows. These cash flows are discounted using the year-end mortgage rates offered by Canadian banks.
- Fair value of real estate, oil and gas properties, and private placements, not publicly traded, is based on estimates as determined by management in conjunction with industry specialists.

Premiums and discounts arising on acquisitions are amortized using the effective interest rate method and included in investment income. Changes in fair value subsequent to acquisition are included in change in fair value of investments (Note 8).

c) Actuarial Value of Net Assets Available for Benefits

To moderate the effects of market volatility on investment values, the actuarial value of net assets available for benefits is determined by averaging projected net assets available for benefits over a five-year period. A constraint limits the actuarial value of net assets available for benefits to be no less than 90% and no greater than 110% of the net assets available for benefits. This calculation results in the adjustment for fluctuation in fair value of net assets.

d) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars at rates of exchange prevailing at the dates of the transactions. At year end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Gains or losses resulting from exchange differences are included in the determination of the change in fair value of investments.

e) Derivative Financial Instruments

Gains or losses on forward foreign exchange contracts are recognized with changes in market value, and are included in the determination of current year change in fair value of investments.

(f) Capital Assets

Capital assets are recorded at cost. Amortization is calculated using the straight-line method at the following annual rates so as to expense the cost of the assets over their estimated useful lives. Software under development is not amortized until implemented.

Furniture and equipment	10-25%
Computer hardware and software	20-33.3%

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

g) Measurement Uncertainty

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

NOTE 4 INVESTMENTS

(in thousands)

	2002		2001	
	Fair Value	Cost	Fair Value	Cost
Fixed Income and Cash				
Cash	$ 14,417	$ 14,417	$ 12,251	$ 12,251
Short terms	23,567	23,567	63,696	63,696
Bonds and debentures	451,738	428,465	468,565	449,824
Real return bonds	194,918	185,103	182,731	183,253
Mortgages	1,770	1,553	1,787	1,602
	686,410	653,105	729,030	710,626
Equities				
Canadian equities	687,871	672,807	775,014	680,219
International equities	397,474	457,500	361,512	401,608
US equity pooled funds	411,052	502,155	376,556	389,996
Real estate and other assets	2,864	3,690	3,028	3,694
	1,499,261	1,636,152	1,516,110	1,475,517
	$ 2,185,671	$ 2,289,257	$ 2,245,140	$ 2,186,143

a) US Equity Pooled Funds

The Plans' US equity investments are held through ownership of units in two pooled funds each managed using a passive strategy with the objective of replicating the return of the *Standard & Poor's 500 United States Equity Index*. One fund invests directly in the US equity market and as at August 31, 2002, the Plans' proportionate interest in this pool had a fair value of $167,284,000 (2001: $181,507,000). The other fund invests in stock index futures contracts and Canadian dollar short-term fixed income investments. As at August 31, 2002, the Plans' proportionate interest in this pool had a fair value of $243,768,000 (2001: $195,049,000). A stock index futures contract is an agreement to take or make a delivery of an amount of cash equal to the difference between changes in the level of the stock index over a specified period.

NOTE 4 INVESTMENTS (CONTINUED)

b) Interest Rate Risk

Interest rate risk relates to the impact of interest rate changes on the Plans' cash flows and financial position. This risk arises from differences in the timing and amount of cash flows related to the Plans' assets and liabilities.

As at August 31, 2002, a 1% increase in nominal interest rates would result in a decline in the fair value of Fixed Income investments of 9.2% (2001: 8.0%). Excluding the impact of real return bonds, the decline in fair value would be 5.5% (2001: 4.5%).

Based on fair values at August 31, 2002, Fixed Income investments have the following average effective yields and term structures:

(dollar amounts in thousands)

	2002					2001	
	Terms of Maturity				Average		Average
	Within 1 Year	1 to 5 Years	Over 5 Years	Total	Effective Yield	Total	Effective Yield
Short terms	$ 23,567	$ -	$ -	$ 23,567	2.84%	$ 63,696	4.06%
Bonds and debentures	5,114	172,286	274,338	451,738	5.27%	468,565	5.56%
Real return bonds	-	-	194,918	194,918	2.89%	182,731	3.26%
Mortgages	-	-	1,770	1,770	6.80%	1,787	7.60%

c) Investments with the Province of Alberta

Investments include bonds issued by the Province of Alberta of $5,513,155 (2001: $5,465,100).

d) Credit Risk

Credit risk arises from the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract.

The Plans limit their credit risk by dealing with counter parties that are considered to be of high quality, setting and monitoring compliance with portfolio guidelines, diversification and obtaining collateral where appropriate.

The Plans record all investments at fair value. Consequently, investment values reflected in Note 4 of these financial statements represent the maximum credit risk exposure of the Plans as at August 31, 2002.

NOTE 4 INVESTMENTS (CONTINUED)

e) Currency Risk

Currency risk arises from the Plans' holding of equities that are denominated in foreign currencies. A portion of the currency exposure is hedged by foreign currency forwards. Foreign currency forwards are contractual obligations either to buy or sell a specified amount of foreign currencies at predetermined future dates and exchange rates.

The Plans' foreign currency exposure is as follows:

	(in thousands)			
	2002			2001
	Foreign Currency Exposure	Foreign Currency Hedge	Net Foreign Currency Exposure	Net Foreign Currency Exposure
United States	$ 438,155	$ -	$ 438,155	$ 398,633
Euro	173,708	-	173,708	167,507
United Kingdom	79,257	-	79,257	75,459
Japan	50,877	7,487	43,390	32,905
Switzerland	30,130	-	30,130	18,993
Australia	14,794	-	14,794	15,124
Other	35,999	-	35,999	36,345
	$ 822,920	$ 7,487	$ 815,433	$ 744,966

Foreign currency exposure includes $14,394,000 (2001: $12,068,000) in cash.

NOTE 5 RECEIVABLES

	(in thousands)	
	2002	2001
Accrued income	$ 10,784	$ 11,396
Amounts due from pending trades	2,897	614
Contributions - teachers	14,722	7,684
Contributions - Province of Alberta	10,449	-
Other	128	105
	$ 38,980	$ 19,799

NOTE 6 CAPITAL ASSETS

	(in thousands)			
	2002			2001
	Cost	Accumulated Amortization	Net	Net
Furniture and equipment	$ 372	$ 276	$ 96	$ 122
Computer hardware and software	4,020	2,887	1,133	1,028
Software under development	92	-	92	303
	$ 4,484	$ 3,163	$ 1,321	$ 1,453

NOTE 7 ACCOUNTS PAYABLE

	(in thousands)	
	2002	2001
Tax withholdings	$ 4,379	$ 4,110
Contributions - Province of Alberta	-	2,626
Amounts payable from pending trades	2,454	1,898
Other investment transactions	893	888
Miscellaneous	1,472	719
	$ 9,198	$ 10,241

NOTE 8 INVESTMENT INCOME

	(in thousands)	
	2002	2001
Interest income		
Cash and short terms	$ 1,498	$ 1,993
Bonds and debentures	26,033	29,377
Real return bonds	8,790	10,363
Mortgages	162	167
Dividend income		
Canadian equities	13,382	14,470
International equities	10,015	14,710
Real estate and other assets	463	1,374
	$ 60,343	$ 72,454

NOTE 8 INVESTMENT INCOME (CONTINUED)

Investment income includes interest of $375,000 (2001: $375,000) earned on bonds issued by the Province of Alberta.

The change in fair value of investments, of a net loss of $168,116,000, includes a realized net loss on disposal of investments of $5,534,000 (2001: net gain of $41,341,000) and an unrealized net loss of $162,582,000 (2001: net loss of $248,835,000).

NOTE 9 CONTRIBUTIONS (NOTE 2C)

	(in thousands)	
	2002	**2001**
Teachers		
Current service	$ 115,922	$ 109,719
Unfunded liability	54,218	54,061
Additional COLA	9,256	8,374
	$ 179,396	$ 172,154
Province of Alberta		
Current service	$ 115,230	$ 106,595
Unfunded liability	111,630	108,289
	$ 226,860	$ 214,884
Employers		
Current service	$ 332	$ 91
Unfunded liability	55	62
	$ 387	$ 153

NOTE 10 ADMINISTRATIVE EXPENSES

	(in thousands)		
	2002		2001
	Budget	Actual	Actual
Investment management	$ 2,954	$ 3,129	$ 3,028
Salaries and benefits (Note 13)	2,769	2,629	2,430
Premises and equipment	824	835	722
Custodial and banking charges	517	502	447
Communications	534	456	421
Consultant fees	558	389	392
Board and Investment Committee	88	86	44
Audit fees	57	43	56
Miscellaneous	29	47	24
	$ 8,330	$ 8,116	$ 7,564

NOTE 11 OBLIGATIONS FOR BENEFITS

Actuarial valuations of the Plans were done as at August 31, 2002 by Buck Consultants Limited, a firm of consulting actuaries. Extrapolations prepared by Buck Consultants Limited were used for reporting purposes as at August 31, 2001. The present value of accrued benefits was determined using the projected benefit method prorated on service. The assumptions used in the valuations and extrapolations are based on the Board's best estimate of future events.

The major long-term economic assumptions used in the current year actuarial valuations and prior actuarial extrapolations are:

	2002	2001
Rate of return on invested assets	7.50%	8.00%
Rate of inflation	3.00%	3.50%
Real wage increases	1.00%	1.00%
Population growth	0.75%	0.75%

Future experience will differ from those assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future actuarial valuations.

As at August 31, 2002, a 0.25% decrease in population growth rate under the Teachers' Pension Plan, holding all other assumptions constant, would increase the amount of contributions required to finance the unfunded liability attributable to service credited prior to September 1992 by 0.49% of total teacher salaries. No change would occur to the value of accrued pension benefits.

NOTE 11 OBLIGATIONS FOR BENEFITS (CONTINUED)

As at August 31, 2002, a 0.50% increase in the rate of return on invested assets and in the rate of inflation under the Teachers' Pension Plan, holding all other assumptions constant, would decrease:

i) the amount of contributions required to finance current service costs by 0.35%,
ii) the amount of contributions required to finance the unfunded liablity attributable to service credited prior to September 1992 by 0.12%, and
iii) the amount of contributions required to finance the deficiency attributable to service credited after August 1992 by 0.40%.

The accrued pension benefits would decrease approximately $264 million.

The valuation for the Teachers' Pension Plan to August 31, 2002 determined an unfunded liability of $5.342 billion, attributable to service credited prior to September 1992 and a $407 million deficiency attributable to service after August 1992. The unfunded liability and deficiency are being financed as described in Note 2c.

The valuation for the Private School Teachers' Pension Plan to August 31, 2002 determined a surplus of $1.4 million.

(in thousands)

	2002				2001
	Teachers' Pension Plan		Private School		
	Pre-Sept. 1992	Post-Aug. 1992	Teachers' Pension Plan	Total	Total
Net assets at beginning of year	$ 165,786	$ 2,068,855	$ 22,560	$ 2,257,201	$ 2,320,717
Net contributions	161,788	237,003	627	399,418	376,623
Benefits	(282,826)	(36,942)	(717)	(320,485)	(297,535)
Investment earnings	(1,246)	(105,460)	(1,067)	(107,773)	(135,040)
Administrative expenses	(327)	(7,708)	(81)	(8,116)	(7,564)
Net assets available for benefits	43,175	2,155,748	21,322	2,220,245	2,257,201
Adjustment for fluctuation in asset value	3,825	215,252	2,178	221,255	6,099
Actuarial value of accrued benefits	(5,389,000)	(2,778,000)	(22,100)	(8,189,100)	(6,971,200)
(Deficiency)/surplus	$ (5,342,000)	$ (407,000)	$ 1,400	$ (5,747,600)	$(4,707,900)

NOTE 12 INVESTMENT PERFORMANCE

The following is a summary of the investment performance results attained by the Alberta Teachers' Retirement Fund Board:

	One-Year Return	Five-Year Average Annual Compound Rate
Alberta Teachers' Retirement Fund Board	(4.6%)	4.6%
Benchmark [1]	(6.4%)	3.5%

(1) The benchmark return is a weighted average of certain market index returns, approved by the Board, based on the fund's policy asset mix.

The Board adopts a long-term real rate of return assumption for actuarial valuations. This long-term rate of return target was set at 3.5 percent over inflation for the year ended August 31, 1993, 4 percent over inflation for the four years ended August 31, 1997 and 4.5 percent over inflation since September 1, 1997. Over the ten-year period since September 1, 1992, the Fund's average annual compound rate of return was 8.2 percent, compared to the long-term target of 6.4 percent.

NOTE 13 SALARIES AND BENEFITS

	2002			2001
	Salary [1]	Benefits & Allowances [3]	Total	Total
Board Chair	$ -	$ -	$ -	$ -
Board Members	5,000[2]	-	5,000	5,000
Executive Director	185,000	26,000	211,000	173,000
Director of Investments	201,000	22,000	223,000	211,000
Portfolio Manager, Equities	181,000	17,000	198,000	151,000
Portfolio Manager, Bonds	134,000	14,000	148,000	121,000
Coordinator Information Services	101,000	14,000	115,000	108,000

NOTE 13 SALARIES AND BENEFITS (CONTINUED)

(1) Salary includes regular base pay, bonuses, honoraria for Board members and any other direct cash remuneration.

(2) Honoraria for Board members is paid to Board members who are not employed by the Province of Alberta or by an employer participating in the Plans.

(3) Benefits and Allowances includes the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, vision coverage, group life insurance, long-term disability plan, professional memberships and tuitions, and car allowances.

NOTE 14 BUDGET INFORMATION

The accrued pension benefits are based on management's best estimates of future events after consultation with the Plans' actuary. Differences between actual results and management's expectations are disclosed as net experience gains in the statement of changes in accrued pension benefits. Accordingly, a budget is not included in these financial statements, with the exception of administrative expenses (Note 10).

Unaudited Information
Summary of Accomplishments - Alberta Learning Business Plan

April 1, 2002 to March 31, 2003

Presented below are Alberta Learning's accomplishments for 2002/03 in implementing the Ministry's Business Plan for 2002-2005. These are organized by the goals, outcomes and strategies of the business plan. (More information is available on selected accomplishments in Alberta Learning news releases between April 2002 and March 2003 on the Ministry's website at www.learning.gov.ab.ca/news/newsreleases/asp).

Goal 1: High Quality Learning Opportunities

Responsiveness and Flexibility

Enhance the use of strategic information and consultation to identify and assess priority needs of learners and stakeholders.

- Established five goals for the renewed vision for the K-12 learning system: all students will
  - be able to read, write and perform basic arithmetic by the time they leave grade 3
  - acquire proficiency in a language in addition to English
  - use technology effectively to enhance their learning
  - make healthy choices in a safe and caring environment, and
  - make informed choices from alternative learning pathways that lead to post-secondary education options, employment opportunities and other future decisions.
- Completed work to address the needs of preschool and kindergarten to grade 3 students through initiatives such as the Alberta Children and Youth Initiative (ACYI), Alberta Initiative for School Improvement (AISI) and a new Program of Studies for primary grades.
- Developed the draft *Learning and Technology Policy Framework* for consultation.
- Released the report of the MLA Committee on Lifelong Learning, which contains recommendations on ways to help adults return to learning.
- Reported on the 2001/02 Apprenticeship and Industry Training Employer Satisfaction Survey and used the results to inform policy and program development.
- Assisted the Alberta Apprenticeship and Industry Training Board to develop a new Strategic Plan for 2003-2006 that is in line with Alberta Learning's 2003-2006 Business Plan and addresses the challenges facing the apprenticeship and industry training system.

Ensure learning policies and programs meet priority needs of all learners, society and the economy.

- Developed initial performance measures relevant and specific to the expected outcomes of the First Nations, Métis and Inuit Policy Framework (FNMI) implementation plan.
- Developed an online version of the 2003/04 *Guide to Education: ECS to Grade 12* for posting on the Alberta Learning website.
- Implemented revised programs in Applied Mathematics 10-20-30 and Science 9 and 14 for students in the basic learning system.
- Authorized new student basic and support learning resources, and resources for teachers to support provincial implementation of new programs of study in senior high English Language Arts, Aboriginal Studies 10-20-30, and senior high English as a Second Language.
- Developed the framework for the Campus Alberta Board of Accreditation and Coordination, which was accepted in principle by institutions as the means to expand access to degree programs in Alberta.
- Released the *Campus Alberta Policy Framework* to promote access to learning opportunities for Albertans through collaboration across the learning system.
- Published 94 provincially authorized student module booklets with integrated multimedia to support new programs of study for core courses, grades 1-12.
- Published a French language multimedia Information and Communication Technologies classroom integration model on LearnAlberta.ca website.
- Communicated Alberta Initiative for School Improvement (AISI) results and successes including project learnings through reports, conferences, and the Clearinghouse to facilitate continuous improvement in the basic education system.

- Developed in collaboration with partners the structure and design for the next Three-Year AISI cycle.
- Aligned the design of the Native Education Projects with the First Nations, Métis and Inuit (FNMI) Education Policy Framework.
- Included the FNMI Education Program Plans within the *Guide for School Board Planning and Results Reporting*.
- With the Minister's Advisory Committee analyzed the program implications for small schools on a number of initiatives (e.g. Funding Framework, Removing Barriers to High School Completion).
- Continued to implement Phase 3 of the Safe and Caring Schools Initiative which infuses objectives, activities and strategies into related resources of Alberta Learning's Program of Studies.
- Reviewed school jurisdictions' planning and reporting documents to ensure compliance with requirements, and provided implementation support for related initiatives and issues.
- Included a unit on Cardio-Pulmonary Resuscitation (CPR) in grade 10 Physical Education.
- Initiated an agreement with the German province of Saxony for school twinnings and exchanges of information, teachers, students and language assistants.
- Signed four agreements with Australia and New Zealand, including renewal of teacher exchanges with New South Wales, new teacher exchange agreements in Queensland and New Zealand, and new collaborative e-learning projects with the Learning Federation of Australia and New Zealand.

Partner with industry to ensure that the learning system responds to the changing needs of the economy.

- Negotiated an agreement with the federal government which enabled Alberta to expedite the entry of skilled foreign workers to fill employers' skills needs.
- Conducted a satisfaction survey of 2001/02 Apprenticeship and Industry Training (AIT) Graduates.
- Collaborated with the Ministry of Innovation and Science and SuperNet vendors to establish a connection with over 20 learning institutions in the Red Deer/Rocky Mountain House area.
- Announced a project with Sun Microsystems Inc. and Chinook's Edge School Division to pilot the latest in available desktop computing technology. The pilot will look at computer use by students and teachers, teacher preparation, and the impact on technical upgrades, administrative support, and operational costs.
- Enhanced relationships with the technology industry by hosting two Ministry Invitational Sessions for vendors to share information on Alberta's vision and direction with respect to learning and technology.
- Created a Web page for the technology industry and initiated a process for vendors to showcase their products to the ministry.

Ensure learning programs are flexible to accommodate diverse learner needs. Provide alternate delivery approaches to meet diverse learner needs.

- Developed modular learning resources and alternate delivery approaches for technical training of Alberta apprentices as follows:
    - Alternative delivery of training is available in 14 trades, as requested by industry
        - Distance delivery – welder, electrician, millwright, locksmith
        - Competency Based Apprenticeship Training – electrician, carpenter, welder, locksmith
        - Weekly – parts technician, cook
        - Mobile – roofer, communication technician, bricklayer, tilesetter.
    - Individual Learning Modules (ILMs) under development:
        - Electrician – 70% complete
        - Carpenter – 40% complete
        - Plumber – 33% complete
- Implemented ILMs for the automotive service technician, heavy equipment technician, machinist, millwright and welder.
- Implemented new record books to improve the monitoring and evaluation of on-the-job training and to improve the consistency of on-the-job training of apprentices in 40 of 51 trades.

- Developed and implemented the *Charter Schools Regulation* 212/2002 to ensure consistency with *School Act* revisions. This new regulation clarified the application process and the Ministry's responsibility to evaluate charter schools. Also revised the *Charter Schools Handbook* to reflect the changes in the *Regulation* and posted it on the department's website.

Accessibility

Enhance access to learning opportunities.

- Initiated development of a technology research process to identify research priorities related to effective uses of Internet Protocol (IP) applications on SuperNet. Contributed to several stakeholder-sponsored events regarding SuperNet applications and research.
- Provided a conditional grant to support the Computers for Schools program.
- Coordinated and conducted evaluations of two private college applications for first degree programs; and completed a comprehensive evaluation and approved an additional degree program at institutions with existing accredited degree programs.
- Used the Access Fund to maintain an additional 5,175 apprenticeship technical training seats.

Ensure that there is the physical, technological and human resource capacity to meet the demands of the learning system.

- Implemented a formal research process for the development of e-textbooks.
- Developed a SuperNet rollout database and worked with stakeholders to confirm the connectivity status of over 99% of learning institutions.
- Developed a SuperNet planning toolkit and provided funding support to NAIT to develop and deliver SuperNet technical training for learning system Information Technology personnel.
- Developed SuperNet Access Funding guidelines and processes.
- Implemented the electronic Teaching Authority Validation System that provides schools and ECS operators a quick and convenient mechanism for confirming the certification of teachers being considered for employment.
- Implemented the International Qualifications Assessment Services (IQAS) system.
- Completed major components of the Student Finance System redevelopment.
- In conjunction with the cross-government Corporate Capital Overview, developed criteria for prioritizing the needs of the post-secondary system in developing capital asset policies.
- Implemented action plans and accountability measures on accepted recommendations of the Faculty Attraction and Retention Working Group.
- Completed transfer of Operations and Maintenance funds ($309 million) and related files from Alberta Learning to Infrastructure.

Affordability

Encourage learners and their families to prepare financially for learning opportunities.

- Developed and implemented a three-year strategic plan for the Accessibility Communication Framework which was adopted as the Pan-Canadian model.
- Provided information sessions to the College of Alberta School Superintendents (CASS) and the Alberta School Boards Association (ASBA) at Zone meetings regarding the Student Finance Board and support for student financial planning for post-secondary education.

Ensure resources are available to enable learners to participate in learning opportunities.

- Issued approximately $27 million in loan relief benefits and approximately $39 million in loan relief completion payments to help reduce student debt levels.
- Announced the Apprenticeship Tuition Fee Policy (effective August 2003) after considering feedback from industry (employers, associations, apprentices) and post-secondary institutions across the province.

Improve flexibility and responsiveness of funding mechanisms for the learning system.

- Developed a new funding allocation model for basic education and presented it to stakeholders for information and feedback.

Continue to monitor and respond to critical cost pressures.

- Led the passage of amendments to the *Teachers' Pension Plan Act* to facilitate payment by the province of the equivalent of one-year of teachers' contributions for the unfunded liability to the pension plan.

Goal 2: Excellence in Learner Achievement

Learners Demonstrate High Standards

Ensure that teaching and instruction in Alberta's learning system is consistently of high quality.

- Held the second annual Alberta Initiative for School Improvement (AISI) Conference with more than 700 attendees, including parents. Sessions highlighted effective practices and projects that others could use to inform future AISI projects.
- Provided funding support to Information and Communications Technology (ICT) professional development partnership initiatives, including the TELUS Learning Connection and the Galileo Educational Network Association.
- Provided funding support to the Alberta Regional Consortia to facilitate teacher in-service on Web Awareness professional development materials and distributed Web Awareness CD-ROM to schools and post-secondary institutions.

Improve the assessment of learner achievement.

- Led the development of the Pan-Canadian Assessment Program (PCAP) to replace the School Achievement Indicators Program (SAIP).
- Designed a process to anchor a portion of diploma examination questions to enhance the comparability of results over time (anchored questions remain the same from one administration to the next).
- Designed multiple choice field tests in language arts and math for schools piloting the new Integrated Occupational Program.
- In response to Motion 505 in the Legislature, renewed the Provincial Achievement Testing Program to examine the effectiveness of the program and posted the report on the Internet.
- Generated the first exams from the apprenticeship Inter-provincial Computerized Examination Management System (ICEMS), which improves the efficiency of the production and administration of Red Seal trade exams across Canada.

Recognize learner achievement.

- Alberta's students ranked third in the SAIP writing assessment of Canadian 13- and 16-year-olds, at levels 2 and 3 respectively. (Performance is reported on the basis of five levels: 13-year-olds are expected to achieve level 2 or higher and 16-year-olds are expected to achieve level 3 or higher.)
- Certificated approximately 1,800 new Alberta teacher education graduates, one thousand (1,000) out-of-province North American teachers, and assessed 175 overseas teachers.
- Issued 1,500 assessment certificates to individuals with foreign education to facilitate access to employment, professional licensing and further education.
- Facilitated the negotiation of 455 new transfer agreements among post-secondary institutions in Alberta.

Encourage and reward excellence.

- Responded to an increase in academic excellence by raising the maximum amount available for Heritage Scholarships from $20 million to $22 million. There was an increase of 9% in recipients of Alexander Rutherford Scholarships, awarded to high school students with high academic achievement.
- Issued over $13 million in Achievement Scholarships to over 11,000 Alberta post-secondary students.
- Implemented new awards including Queen Elizabeth II Golden Jubilee Awards, the Premier's Citizenship

Awards, and the Earl and Countess of Wessex – Edmonton 2001 World Championships in Athletics Scholarship.
- Awarded the first scholarships of $1,000 each to 165 apprentices from the new $3.3 million scholarship fund to recognize apprentice excellence in their training and trade.
- Presented 49 apprentices with a Top Apprentice Award at the Alberta Apprenticeship and Industry Training Board Awards.
- Recognized over 400 outstanding, innovative Alberta teachers nominated for Excellence in Teaching Awards.

Learners Complete Programs

Develop initiatives to assist learners to complete programs.

- Supported school jurisdictions in using the findings of the *Removing Barriers to High School Completion Report* to increase high school completion rates.

Goal 3: Well Prepared Learners for Lifelong Learning, World of Work and Citizenship

Learners are Well Prepared for Lifelong Learning

Develop, implement, and evaluate early childhood initiatives.

- Through the Parent-Child Literacy Strategy, 31 projects assisted over 6,000 parents and their preschool children.
- Developed an evaluation framework for project proposals that request funding under the Parent-Child Literacy Program. An overall evaluation and accountability framework for the program and associated projects has been completed and included in program materials.
- Collaborated with Council of Ministers of Education Canada (CMEC) in the development of a K-2 French language recovery teacher training kit.
- Piloted a revised version of the Early Development Instrument (EDI) in five participating jurisdictions, provided results to school jurisdictions, and initiated an evaluation of the three-year project on developing a readiness to learn measure.

Introduce initiatives that will help Albertans succeed in learning throughout all stages of their lives.

- Increased annual grants by 3% to over 150 community-based learning providers which enabled 2,130 adult Albertans to improve their basic literacy skills, 14,000 new immigrants to access English as a second language and settlement services, and 77,000 participants to access 5,600 courses or workshops in over 83 communities across the province.
- Community Adult Learning Council initiatives aimed at increasing access to learning opportunities in rural communities resulted in an additional 7,700 participants in 600 courses and workshops.
- Developed an Activity Report on French minority education and French language instruction for Kindergarten to Post-Secondary.

Learners are Well Prepared for Employment

Create diverse opportunities that prepare learners to achieve career goals in local and global markets.

- Implemented new material for students in CTS Career Transitions and Communication Technology and Information Processing modules.
- Awarded $50,000 in scholarships to 50 high school graduates participating in the province's innovative Registered Apprenticeship Program (RAP) to encourage them to continue their apprenticeship training.
- Worked with organizations such as CAREERS, Skills Canada-Alberta, and the Careers in Construction CD-ROM Youth Ambassador Project to promote the skilled trades within schools and the community.
- Initiated promotional activities focused on encouraging high school guidance counsellors and teachers to promote apprenticeship training and a career in the trades. Apprenticeship information sessions with guidance counsellors, other school staff and parents were presented in Calgary, Grande Prairie, Red Deer and Lethbridge.

- Increased participation in the Registered Apprenticeship Program (RAP) from 980 in 2001 (January to December) to 1,163 for the same time period in 2002.
- Enhanced inter-provincial mobility for trades persons by issuing 3,974 individuals trade certificates with Red Seals in 2002 (January to December, 2002).
- Certified 609 people through the Qualification Certificate Program, which recognizes prior work experience, knowledge and skills in designated trades and occupations in Alberta (January to December, 2002).
- Developed new agreements, so that gasfitter certificates issued in Ontario, Manitoba, Saskatchewan and British Columbia are recognized as being equivalent to an Alberta trade certificate.
- Worked with the Department of National Defense (Canada) to improve mobility and recognize certification in automotive service technician and cook trades.
- In partnership with NAIT, produced multimedia-welding resources for apprentices consistent with apprenticeship standards to support the Individual Learning Modules. The resources were then redesigned to produce multimedia learning resources appropriate for CTS students studying welding in high school.
- In collaboration with partners, surveyed over 200 recent teacher education graduates, 400 plus beginning teachers and more than 200 school principals about the efficacy of Alberta teacher preparation programs and beginning teachers' opportunities for professional growth.

Learners are Well Prepared for Citizenship

Develop learning opportunities that will build an active and responsible citizenry.

- Incorporated citizenship and identity into the learning outcomes for the revised K-12 Social Studies curriculum.
- Implemented revised programs for students in Career and Life Management (CALM) and K-9 Health and Life Skills.

Create learning opportunities to help Albertans become successful in a global society.

- Led a mission to Asia, accompanied by 23 representatives of school jurisdictions, post-secondary institutions and key stakeholder groups. Participants in the mission signed nine co-operative agreements and began further opportunities for collaboration.
- Implemented the following revised second language programs that support preparation for participating in a global society:
  - Spanish Language Arts (K-3) (Optional implementation)
  - Spanish Language and Culture (7-9, 10-20-30, and 10S-20S-30S)
  - German Language and Culture (7-9, 10-20-30, and 10S-20S-30S)
  - Italian Language and Culture (10-20-30)
  - Ukrainian Language Arts (K-9)
- As part of the Canadian International Development Agency (CIDA) funded Canada-South Africa Teacher Development Project, conducted teachers workshops on Inclusive Education, and facilitated the delivery of teacher in-services on the Application of Computers to Teaching and Learning.
- Participated with the Universities of Alberta and Calgary, Athabasca University and Agriteam Consulting of Calgary in a consortium for the Western China Basic Education Project.

Goal 4: Effective Working Relationships

Effective Working Relationships Meet the Learning Needs of Albertans

Collaborate with stakeholders in the design, delivery and evaluation of the learning system.

- Worked with Alberta Council on Admissions & Transfer (ACAT) to improve student transitions between the basic and post-secondary sectors, resulting in post-secondary admissions policy decisions for the new English Language Arts course.
- Provided registration and counselling services to apprentices and employers through 13,000 shop visits. Registered over 13,000 new apprentices (January to December, 2002).

- In partnership with the Alberta Apprenticeship and Industry Training Board work progressed on enhancements to the industry network of trade and occupational training committees.
- Contributed to the development of the ministerial statement adopted at Council of Ministers of Education Canada (CMEC), which is expected to lead to a Pan-Canadian system of credit transfer among colleges and universities.
- Led the development of a Pan-Canadian Education Portal for online resources.
- In collaboration with the federal government and CMEC, led the provinces in the development of a pan-Canadian framework to guide the long-term evolution of financial assistance to promote accessible and affordable post-secondary education.
- Participated in CMEC priority setting for post-secondary, including university research.
- Continued to partner with 10 publishers to help schools save money when purchasing learning and teaching resources through the Aggregate Order Discount (AOD) Program, which has saved customers $600,000 over two years.
- Hosted the 6th Annual Online Learning Symposium in partnership with the Alberta Online Consortium, which was attended by over 650 educators from across Alberta and Canada.
- Raised awareness of and elicited feedback on the LearnAlberta.ca initiative at over 80 external and internal events including information sessions, regional forums, specialist council events, association and organization board meetings, consultations and teachers' conventions.
- Hosted three conferences for Jurisdiction Technology Contacts, each attended by about 125 technology managers, to share information and receive input on Learning and Technology initiatives.
- Strengthened the New Brunswick/Alberta Memorandum of Agreement through the development of Physics/Physique 20-30 French language multimedia applets (software applications that respond to user inputs and allow learners to manipulate variables), which support a discovery approach to learning.
- Designed and developed provincially authorized, multimedia learning resources for grade 6 science students, parents, and teachers called *The Thrill of Flight*, in partnership with the Alberta Aviation Council, SAIT, Mount Royal College, Chestermere Lake Middle School (Rocky View School District), and many Alberta aviation-related businesses and agencies.
- Maintained a solid working relationship with the post-secondary system as indicated by the results of the Roles and Responsibilities and Legislation discussions.
- Provided Cardio-Pulmonary Resuscitation (CPR) training to teachers in 91 high schools across 35 school jurisdictions in collaboration with the Advanced Cardiac Treatment (ACT) Foundation.
- Strengthened relationships with the Alberta Home and School Councils' Association (AHSCA) to support increased parental involvement in school.

Initiate, develop, and support cross-ministry initiatives.
Government has established cross-ministry priority initiatives and administrative priorities that transcend the mandate of individual ministries. Each year, some of these are selected for special emphasis. The following briefly highlights Alberta Learning's major involvement in these priorities for 2002/03.

Priority Policy Initiatives

Health Sustainability Initiative

- Worked with Alberta Health and Wellness and stakeholders to develop, implement and pilot Alternative Funding Plans for academic physicians in the province's medical schools to increase the quality time spent teaching students, caring for patients, and conducting research.
- Supported the Alberta Alcohol and Drug Abuse Commission *Alberta Youth Experience Survey*, which surveyed 3,394 students in grades 7-12 regarding their involvement with alcohol, tobacco, other drugs, and gambling activities.

- Supported the Alberta Tobacco Reduction Strategy and *Prevention of Youth Tobacco Use Act* legislation effective April 1, 2003. Assisted with the development of a school resource on creating policy for tobacco-free schools and distributed it to schools and school authorities across the province.
- Implemented the *Health and Life Skills K-9 and Career and Life Management (CALM)* curriculum and posted the related Guides to Implementation and list of learning and teaching resources on the Alberta Learning website.
- Contributed to the development of the strategic plan and performance measures for the Health Sustainability Initiative.

Aboriginal Policy Initiative

- As part of the Alberta Aboriginal Apprenticeship Program (AAAP):
  - registered Aboriginal people into apprenticeship positions in the Edmonton and Fort McMurray areas
  - established a project office in High Level
  - implemented communications strategies to support and improve Aboriginal participation in the trades, including setting up the Aboriginal Apprenticeship network and developing student guides for distribution through school orientations and presentation events.
- Coordinated funding to introduce the Alberta Youth Apprenticeship Program (YAP) in selected northern communities to help young people become aware of and consider the designated trades as viable career options.
- Began two Aboriginal Family Literacy Projects to educate Aboriginal Literacy and Parenting Skills trainers, and to purchase Aboriginal family literacy resources for use in family literacy programs across Alberta.
- Established a Ministry task group to review tuition agreements between school boards and First Nations and make recommendations regarding best practices.
- Completed Phase I of the Aboriginal Data Collection Initiative, which involved working with school jurisdictions and post-secondary institutions that collect information on Aboriginal ancestry as part of their registration process. The number of post-secondary institutions that collected information on Aboriginal Student employment doubled since last year.
- Set baseline data on the number of Aboriginal people in apprenticeship programs and increased to 262 the number of apprentices self-identified as Aboriginal learners, up from 144 the previous year.
- Initiated communication with Aboriginal communities regarding voluntary self-declaration of Aboriginal ancestry on public school and post-secondary registration forms.
- Encouraged enhanced Aboriginal participation in post-secondary studies by guiding policy direction and examining program approval options.

Economic Development Strategy

- Led representatives of Alberta's education community on a mission to Asia to strengthen and expand international education initiatives in Japan, China, Vietnam and Thailand.
- In conjunction with industry and other government departments, identified labour force supply and demand for the Alberta economy and developed strategies to address skilled trades shortages.
- Developed a framework and strategic direction in support of Alberta's Value-Added Strategy and transition to a knowledge-based economy.
- Developed new measures and selected targets for Learning's measures for 2010 based on long-term trends.

Alberta Children and Youth Initiative

- Streamlined administrative processes and transferred increased responsibility for planning and accountability of delivery of student health services to Student Health Partnerships. All 20 Partnerships have been approved to submit an Abbreviated Service Plan for the 2003/04 school year.
- Provided Student Health funds to the Partnership as a whole instead of allocating by individual school authorities.

- Implemented a number of strategies to provide flexibility for Partnership service planning that was needed during the boundary changes to the Regional Health Authorities and Child and Family Services Authorities.
- Published *Teaching for the Prevention of Fetal Alcohol Spectrum Disorder (FASD) grades 1-12, A Resource for Teachers of Health and Life Skills, and Career and Life Management.*
- Revised and expanded *Building Strengths, Creating Hopes*, the guide for teaching students with Fetal Alcohol Spectrum Disorder (FASD).
- Provided cross ministry awareness workshops for the Protection of Children Involved in Prostitution (PCHIP) in Lethbridge, Fort McMurray, Edmonton, and Grande Prairie.
- Implemented recommendations from the *Youth in Transitions Policy Framework.*
- Provided copies of *Responding to Child Abuse Handbook* to superintendents.
- Developed a cross-ministry policy framework and model for integrated services for children and youth with special and complex needs.
- Developed guidelines for provincial ministries and regional authorities to use for sharing privacy information when providing integrated services for children and youth.
- Contributed to the development of the priorities, performance measures and annual report for the Alberta Children and Youth Initiative.

Key Administrative Initiatives

Alberta Corporate Service Centre (ACSC)

- Collaborated with ACSC, establishing service level agreements for the delivery of Information and Communication Technology (ICT) services to Alberta Learning consistent with Government of Alberta directions. The new agreements resulted in improved planning, implementation and delivery of ICT services.
- Collaborated with ACSC to deliver a seamless Human Resource Service to the Ministry of Learning.
- Collaborated with ACSC to improve the level of financial service and reporting to the Ministry of Learning.

Corporate Human Resource Development Strategy

- Developed and implemented strategies of addressing performance management, building leadership capacity, and attracting and retaining talent for the Human Resources Plan.

Corporate Information Management/Information Technology (IM/IT) Strategy

- Collaborated with Innovation and Science on identifying initiatives and priorities that contributed to the Information and Communication Technology plan.
- Participated in the development of government's Enterprise Architecture that defined corporate principles, standards and guidelines that will guide provincial IM/IT investment and design decisions.
- In consultation with stakeholders, developed a Technology Standards and Standard Solutions proposal to improve the ability to share information and resources and increase access to learning opportunities across the province, and implemented interim management strategies.

Service Alberta Initiative

- Delivered One-Window information sessions and Quality Customer Service training to front-line staff.
- Ensured that service provision initiatives support One-Window access for Albertans, for example, the redevelopment of the Students Finance System and the redevelopment of the Apprenticeship, Trades and Occupations Management System (ATOMS).
- Provided input on the strategy development and website standards for the Service Alberta initiative.

Joint Initiatives Contribute to the Achievement of the Social and Economic Goals of the Province

Clarify roles, responsibilities and accountabilities in the development and delivery of learning in Alberta in consultation with stakeholders.

- Worked collaboratively with Alberta Human Resources and Employment and Alberta Home and School Councils Association (AHSCA) to reinforce the important role of parents in career and post-secondary planning and to help parents access up-to-date and accurate information on these topics.
- Signed a Conditional Grant Agreement with the Alberta Home and School Councils' Association (AHSCA) that incorporated a performance-based accountability framework.
- Initiated a partnership with British Columbia's Ministry of Education to further strengthen the learning systems in both provinces.

Strengthen partnerships with industry.

- Worked actively with government, training institutes and private industry in countries such as Cuba, Trinidad, China and Bermuda to assist them in building their apprenticeship training systems and to facilitate the training of workers.
- Negotiated a three-year contract with the organization CAREERS to provide proportional funding based on performance in meeting goals and targets.

Goal 5: Highly Responsive and Responsible Ministry

The Ministry Demonstrates Leadership and Continuous Improvement in Administrative and Business Processes and Practices

Optimize the use of technology to support knowledge management, decision-making and communication.

- Developed and implemented an operational planning process and database.
- Implemented a new framework to manage the redesign and maintenance of the post-secondary Program Registry System.
- Completed the functional and technical design phases of the new Apprenticeship Trades and Occupations Management System (ATOMS) in alignment with Service Alberta.
- Provided strategic human resource and financial services to the Ministries of International and Intergovernmental Relations and Aboriginal Affairs and Northern Development (AAND).
- Implemented a web-based service for students to look up their own Alberta Student Numbers (ASN) and, if not already available, to submit an on-line request for an ASN.

Continuously review programs and administrative practices for opportunities to improve effectiveness.

- Developed the post-secondary strategic framework, including the revised Tuition Policy, policy direction for legislation, and clarification of status and mandates of institutions.
- Developed and implemented a Human Resource Plan for the Ministry that included strategies for performance management, building leadership capacity, and attracting and retaining qualified, capable employees, as identified in the Corporate Human Resource Development Strategy.
- Created the *Manual for Establishment of Separate School Districts for Boundary Expansions* to support the process of boundary change requests.
- Developed a new process for licensing private vocational schools.
- Reported on the *2003 Students Finance Client Satisfaction Survey*, which indicated increased satisfaction levels with information available on the Alberta Learning Information Services (ALIS) website, ease of application process, and decision notification timelines.In response to the Auditor General, expanded monitoring of school jurisdiction compliance with Credit Enrollment Unit (CEU) funding criteria.
- Reviewed applications for the designation of 31 new occupations for the Petroleum Services Association of Canada.
- Began consultations on designating Oil and Gas Drillers as a compulsory certification trade and Steep Slope Roofer as an occupation.

- The survey of apprenticeship graduates showed that 93% were satisfied with the services of Apprenticeship and Industry Training staff.
- In support of affordable learning opportunities, processed over 128,000 applications for student loans, scholarships, and loan relief completion payments, from over 83,000 clients, an increase of 3.9% applicants.
- By assuming the responsibility for the issue of student loans, the Ministry saved about $4.0 million annually in service premium costs previously paid to the banks.
- Administered and scored over 1.2 million achievement tests and diploma examinations and provided the results to schools and school jurisdictions.
- Implemented leadership development and succession planning activities, including participation of 88 staff members in the Senior and Executive Development and the Management Development programs provided by of the University of Alberta, as well as 15 in the Corporate Executive Management Program, for a total of 103 participants.

Work with stakeholders to jointly review and evaluate initiatives to improve effectiveness.

- Revised the *Guide to School Board Planning and Results Reporting* to include accountability requirements for jurisdictions to report high school completion rates in Annual Education Results Reports (AERRs) and to set targets in Three-Year Education Plans.
- Worked with a number of post-secondary institutions in the development of their performance measurement and accountability frameworks.
- Completed the International Qualifications Assessment Services (IQAS) client follow up study, with 90% of respondents reporting overall high satisfaction levels with IQAS.
- Reviewed school board 2001-2004 three-year education plans and used the information to provide feedback to school jurisdictions and provide input to the Ministry's business plan and accountability process.
- Completed analysis of 2001/02 Charter School Annual Education Results Reports (AERRs).
- Created a post-secondary learning and technology committee, facilitated stakeholder consultations on learning and technology initiatives and continued stakeholder consultations with K-12 learning and technology committees.
- Simplified and improved the Early Childhood Services (ECS) Budget Report to provide clear, concise information to stakeholders.
- Established a review team to work with school boards to help address anticipated accumulated operating deficits and completed 10 reviews.

Improve the linkage between strategic, business, financial, human resource, information technology and performance measurement planning.

- Refined Results Oriented Government (ROG) learning strategy with the addition of Operational Planning, Risk Management and Managing Performance through Coaching modules.
- As co-lead on the Government of Alberta Business Planning Working Group, developed a set of business plan guidelines that was approved by the Council of Deputy Ministers and Treasury Board.
- Established and worked with divisional Performance Measurement Working Groups in the development of operational measures for division core responsibilities to coordinate for reporting in the operational plan.
- Developed an interim post-secondary completion rate measure for the Business Plan and Annual Report.
- Developed a methodology for measuring annual drop out rates and annual returning rates of students in the basic learning system for discussion with stakeholders.
- Initiated a study of accountability within the learning system.
- Developed a methodology for a potential Return on Investment to Education measure.

Implement approaches to reporting and communication to raise public awareness of the challenges and accomplishments of the Learning System.

- Shared information with Albertans on new initiatives, programs and developments in the learning system through a variety of communication tools including news releases, fact sheets and information bulletins.
- Showcased the work of Alberta Learning and provided improved access to information on the learning system through the redesign of the Alberta Learning website, including the addition of feature articles, videos and expanded information, as well as enhanced navigation for key audiences.
- Enhanced regular communications with key stakeholder groups with the addition of targeted communications products, which included the creation of a newsletter developed specifically for teachers to establish a better connection with and direct feedback mechanism for teachers.
- Shared information on planning for post-secondary and student finance resources through targeted information for students and parents.
- Supported Service Alberta One-Window access through timely and efficient response to EdNet, Alberta Connects, and department information line enquiries.
- Received the Premier's Award of Excellence for development of the Annual Report Item Management System (ARIMS) to improve efficiency and accuracy of Annual Report process.
- Received the Premier's Award of Excellence for the Post-Secondary Funding Review, which is helping to shape the strategic agenda for the post-secondary system and make educational opportunities more accessible, affordable and responsive through the adoption of new funding arrangements to institutions.
- Created a Learning and Technology website (www.lnt.ca) and produced a bi-weekly e-mail newsletter (tech.news) for stakeholders.
- Participated in the Pan-Canadian launch of International Adult Learners' Week, which was coordinated by the United Nations Educational, Scientific and Cultural Organization (UNESCO).
- Posted a variety of performance information on the Ministry's website, including:

    - Results of the 2001/02 employer satisfaction survey – http://www.learning.gov.ab.ca/department/satisfaction/EmployerSurveyReport.pdf
    - Results of the 2001/02 public/adult learner survey – http://www.learning.gov.ab.ca/department/satisfaction/LearnerSurveyReport.pdf
    - Provincial and school jurisdiction three-year high school completion rates for 1997/98 through 2000/01 and five-year high school completion rates for 1999/2000 and 2000/01 – http://www.learning.gov.ab.ca/k_12/completion/
    - The Apprenticeship and Industry Training Board 2001/02 Annual Report – http://www.tradesecrets.org/forms_publications/board_annual_report/pdf/board_ann_rep02-03.pdf
    - Alberta Learning's 2001/02 Annual Report – http://www.learning.gov.ab.ca/annualreport/2002/introduction.pdf

- Distributed the Results Report (an excerpt of the Annual Report) to school jurisdictions, schools and post-secondary institutions.

Endnotes for Results Analysis

Endnote A: Notes on Surveys

Public/Client Surveys

Alberta Learning regularly commissions telephone surveys of random samples of the Alberta public and key client groups. The purpose of these surveys is to obtain perceptions of how the learning system is performing in meeting learners' and society's needs and expectations. Professional survey research firms are contracted to conduct the surveys using trained interviewers and the Computer-Assisted Telephone Interviewing (CATI) system. Survey results are compiled by the survey research firms and provided to Alberta Learning.

The following table provides sampling information about the surveys of Albertans conducted for Alberta Learning in recent years that are reported in this Annual Report. The information includes the respondent groups surveyed, corresponding sample sizes and the confidence intervals for each survey. Results are considered accurate within the confidence interval 19 times out of 20 (i.e., at a confidence level of 95%). Sampling variation can account for observed differences in results from year to year.

Alberta Learning Public/Client Surveys: Sample Sizes and Confidence Intervals

Survey		1998/99	1999/00[3]	2000/01	2001/02[4]	2002/03
Public (re ECS – 12 system)	Sample	802[1]	2,008	2,154	1,171	2,012
	Confidence interval	±3.5%	±2.2%	±2.2%	±2.9%	±2.2%
Public (re the adult learning system)	Sample	2,000[1]	3,000	3,001	1,171	3,109
	Confidence interval	±2.2%	±1.8%	±1.8%	±2.9%	±1.8%
Adult Learners[2]	Sample	1,000	992	998	420	1,103
	Confidence interval	±3.1%	±3.2%	±3.1%	±4.8%	±2.9%
Graduates of Apprenticeship Programs[5]	Sample	3,141	--	2,948	--	3,221
	Confidence interval	±0.8%	--	±1.8%	--	±1.7 %

Notes:

1. In 1998/99 two separate surveys were conducted to obtain public opinions. The Alberta Education survey asked a random sample of the general public about the ECS - 12 system. The other survey, conducted for the former Ministry of Advanced Education and Career Development, asked a random sample of the general public about the adult learning system.
2. Adult learners are a subset of the public. Adult learners are defined as those Albertans aged 17 and over who have participated in a credit or non-credit course in Alberta in the last 12 months prior to the survey.
3. In 1999/2000 and subsequent years Alberta Learning commissioned a survey of the public that captured opinions on both the ECS – 12 and adult learning systems. The general public was over sampled in 1999/2000, 2000/01 and 2002/03 (increasing the number of respondents providing opinions on the ECS – 12 system and the adult learning system) to obtain the desired sample of adult learners.
4. In 2001/02 the general public was not over sampled. Due to the teachers' job action the survey was not in the field long enough to enable over sampling.
5. The confidence intervals for the apprenticeship graduate surveys are small compared to those for the survey of the public re the adult learning system as they are drawn from relatively small populations (i.e. the pool of apprenticeship graduates – just over 4,000 each year) while the public survey re the adult learning system is drawn from a large population (i.e., adult Albertans – more than 2 million people). The confidence internals for the 1998/99 and 2000/01 apprenticeship graduates surveys have been adjusted from those published in previous years to reflect the actual (i.e., small) populations rather than the standard confidence interval that would be associated with the sample size assuming a large population.

The public/adult learner survey is conducted annually. The survey instrument uses four-point response scales ("Very satisfied/Satisfied/Dissatisfied/Very dissatisfied" or "Strongly Agree/ Agree/ Disagree/ Strongly Disagree"), depending on the question. Although not asked, "Don't Know" responses and refusals are recorded as well. Results presented are the combined percentages of respondents who were "very satisfied/satisfied" or who "strongly agreed/agreed". Survey results are available online at http://www.learning.gov.ab.ca/pubstats/research.asp

The survey of apprenticeship graduates is conducted every other year. Graduates are surveyed between six and eighteen months after completing their program. The survey instrument uses a four-point response scale ("Very satisfied/ Somewhat satisfied /Somewhat dissatisfied/ Very dissatisfied"). Although not asked, "Don't Know" responses and refusals were recorded as well. Results presented are the percentages of respondents who were "very satisfied/somewhat satisfied". For information on the results of the apprenticeship graduates survey, contact the Apprenticeship and Industry Training Division at 427-8768.

Alberta Learning Surveys of Partners and Stakeholders

Each year, Alberta Learning commissions telephone surveys of partners and stakeholders. For the purpose of these surveys, partners are representatives of other Alberta government ministries that have worked with Alberta Learning on specific projects during the last 12 months, and stakeholders are representatives of learning system organizations. Some of these organizations are specifically established by legislation, and all have as their mandate a broad and dedicated interest in the learning system.

These surveys use a judgment sampling (a type of non-probability sampling method, for which confidence intervals are not applicable) and are conducted with partner and stakeholder representatives to obtain perceptions about their working relationships with Alberta Learning staff. The partner and stakeholder surveys capture all major projects in which partners in other ministries worked with Alberta Learning staff and all major stakeholder organizations that have an on-going relationship with the Ministry. Respondents are selected with broad input from senior Ministry staff. Stakeholder selection identifies individuals in senior positions in their organizations who have a broad understanding of the learning system and are in the best position to provide meaningful responses. Samples include representatives of the largest post-secondary institutions and school jurisdictions in the province because of their impact on significant numbers of learners. The table below indicates the number of partner and stakeholder representatives surveyed each year.

Partner and Stakeholder Surveys: Sample Sizes

Year	Partners	Stakeholders	Total
1999/2000	38	14	52
2000/01	33	28	61
2001/02	35	28	63
2002/03	43	29	72

From 1999/2000 to 2001/02, the survey instrument used a five-point response scale with responses of "Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree". In 2002/03, four-point scales were used, to be consistent with the Ministry's public/client satisfaction surveys: "Strongly Agree, Agree, Disagree, Strongly Disagree" or "Very Satisfied, Satisfied, Dissatisfied, Very dissatisfied". The change from a five-point scale with a neutral midpoint to a four-point scale may have affected the results for 2002/03 slightly. Results presented are the percentages of total respondents who "strongly agreed/agreed" to the survey question, i.e., the weighted average.

The small sample sizes for these surveys may contribute to the variation in survey results from year to year. To illustrate the effect of sample size, each respondent in a survey of 100 respondents accounts for one percent (1.0%) of the overall result, whereas each respondent in a survey of 1,000 respondents accounts for only one-tenth of one percent (0.1%) of the overall result.

Results of the 2001/02 surveys are available online at http://www.learning.gov.ab.ca/pubstats/research.asp.

Core Human Resource Measures Survey

Data are collected annually through The *Government of Alberta Corporate Employee Surveys,* coordinated by the Alberta Personnel Administration Office (PAO). Random sampling is used to interview both management and non-management staff. Interviews are conducted on-line and by telephone, using the Computer Assisted Telephone Interviewing (CATI) system. The survey instrument uses five-point response scales, e.g. "Strongly agree/Somewhat agree/Neither agree nor disagree/Somewhat disagree/Strongly disagree". The combined percentages of respondents who "Strongly Agreed/Agreed" are reported. Additional information is available at: http://www.pao.gov.ab.ca/corporate/eesurvey/

Sample sizes and confidence intervals for each year are provided in the table below. Results are considered accurate within the confidence interval at the 95% confidence level, i.e., 19 times out of 20. Information for 1998/99 represents the weighted average results for the former Ministries of Education and of Advanced Education and Career Development (AECD).

Employee Surveys: Sample Sizes and Confidence Intervals

Survey Year	Respondent Group	Sample Size	Confidence Interval
1998/99	Alberta Government	2,312	±2.0%
	- Alberta Education	103	±8.5%
	- AECD	116	±8.5%
	Former ministries combined	219	±5.9%
1999/00	Alberta Government	3,585	±2.0%
	Alberta Learning	499	±4.0%
2000/01	Alberta Government	4,408	±2.0%
	Alberta Learning	418	±3.4%
2001/02	Alberta Government	4,318	±2.0%
	Alberta Learning	411	±3.4%
2002/03	Alberta Government	7,068	±1.0%
	Alberta Learning	435	±3.4%

Use of Confidence Intervals for Results of Surveys in Alberta Learning's Annual Report

When a result is obtained by surveying a random sample of the target population (e.g., the public, adult learners, apprenticeship graduates, employees), there is a confidence interval associated with the result, which is expressed as a percentage above and below the obtained result. A confidence interval indicates how much variation one might expect from the obtained survey result, as a consequence of sampling and diversity among respondents. Difference in survey results over time or among respondent groups on the same survey question are reported at the ".05 level of confidence" (i.e., the same results would be obtained in repeated surveys 19 times out of 20).

Alberta Learning uses confidence intervals to determine:

- whether differences in survey results over time are likely the result of sampling variations, or represent actual change, and
- whether differences among respondent groups to the same question are likely the result of sampling variations or represent actual differences.

When comparing results of survey questions over time or among respondent groups, there is an actual difference between two survey results, 19 times out of 20, if there is no overlap between the confidence intervals of the two observed values. When this is the case, it is acknowledged in the related text that there is an increase, change, or significant difference in survey results over time or among groups. When the confidence intervals of the two observed values do overlap, the observed difference will be due to sampling variation 19 times out of 20, and we cannot conclude that the difference is real (i.e., "significant"). In such cases, the related text indicates that results are similar or stable over time or among groups.

The following hypothetical examples illustrate:

a) two survey results where the confidence intervals overlap and, consequently, it is concluded that there is no real difference between the two survey results, and
b) two survey results where the confidence intervals do not overlap and, consequently, it is concluded that there is a real difference between the two survey results.

a) Where two survey results are 76% and 80%, both with a confidence interval of 2.5%, then the upper limit of the confidence interval for the "76%" result is 78.5%, and the lower limit of the confidence interval of the "80%" result is 77.5%. Since the confidence intervals "overlap", it cannot be concluded that there is a real difference between the two survey results, as the observed difference could be due to sampling variation.

b) If the two survey results are 74% (with a confidence interval of 2.5%) and 80% (also with a confidence interval of 2.5%), the upper limit of the confidence interval for the "74%" result is 76.5%, and the lower limit of the confidence interval of the "80%" result is 77.5%. Since the confidence intervals "do not overlap," it can be concluded that there is a real difference between the two survey results, as sampling variation alone does not account for the observed difference. In such cases, the related text indicates that there is a significant difference over time or between groups, e.g., increase, decrease.

Endnote B: Technical Note on Assessing Results and Targets and on Use of Trend Lines

Assessing Results Over Time

Changes in results are assessed over time in the discussion of each measure. A change (increase or decrease) is considered slight if it differs 1-2 percentage points from results of the comparison year(s). As the confidence interval is taken into account in assessing results on survey measures that use a probability sampling method (see Endnote A), the change is considered slight for those measures when the result is 1-2 percentage points different from the comparison year(s) above or below the confidence interval.

Assessing Targets

Performance targets set expectations for results and are the basis for planning improvements and assessing results. They are an important way to gauge whether the organization is improving or falling behind in obtaining desired results in key areas. Targets clearly establish desired levels of performance to be attained by a certain time. Targets are quantifiable and expressed in numerical terms, such as percentages or ratios. They are used as a key tool to drive, measure, improve and control performance.

Performance on a measure is considered to have met the target if the result is at or above 95% of the target value. For example, if the result is 77% on a measure with a target of 80%, then the target has been met since the performance (77%) represents 96.3% of the target. As another example, if the result on the same measure is 75%, then the target has not been met since 75% represents only 93.8% of the target.

This method of assessing performance represents a high level of achievement in relation to the target, i.e. clearing a hurdle. The 95% rule acknowledges the variability in data as well as the complexities of the learning system. In such an environment, targets are general objectives rather than specific values, and achieving 95% of the target value indicates results are "in the ball park".

The 95% rule is not used to assess achievement of targets for provincial achievement tests, which are administered to students in grades 3, 6 and 9. It does not apply to the results for students who wrote as that set of results represents the achievement of the students who took the test and there is negligible variability. The rule also does not apply to the results for all students in grade as those results are the minimum possible and under-represent the true results for the population had all students in the grade taken the test. Instead, as a difference of four tenths of a percentage point (0.4%) is considered significant for these results, targets are considered met if the result is within four tenths of a percentage point (0.4) of the target.

Trend Lines

Trend lines are an aid to interpreting the results for measures reported in the Annual Report. Trend lines augment data interpretation techniques already in use such as the calculation of confidence intervals, which is used to determine the significance of a change between two survey results (either over time, or among groups). Trend lines provide a useful method of understanding the year-to-year fluctuations over the longer term, since most measures have data spanning three or more years. Trend lines shift the focus from smaller year-to-year changes to providing information about the longer-term direction of the data and whether or not it is tracking towards the performance target for the measures with targets.

Comments in the text on results with at least three data points are supported by trend lines. The type of trend line used is selected based on an informed interpretation of the data series underlying the trend line.

Logarithmic trend lines are appropriate for proportional data (i.e., data expressed as percentages of a whole, and therefore ranging between 0% and 100%), such as the performance measures in this report. A logarithmic trend line is a best-fit straight line that is most useful when the rate of change in the data increases or decreases quickly, then levels out. The leveling out can be seen in the results for some measures in the report, along with examples of year-to-year increases or decreases on other measures. A logarithmic trend line is calculated using the following formula:

$Y = c\,ln x + b$ where c and b are constants, and n is the natural logarithm function.

Endnote C: Methodology for Performance Measures

Post-Secondary Graduates' Satisfaction

Satisfaction surveys of graduating post-secondary students are conducted every other year by publicly funded post-secondary institutions. Students are surveyed prior to graduation to increase the response rate and minimize the effect final marks may have on satisfaction results. Most institutions used a census survey method, which attempts to obtain responses from all graduating students. The University of Alberta and the University of Calgary surveys used a quota sampling method which targeted achieving a response rate of 50% in the earlier year and of 60% in the more recent year, and included over sampling of students in smaller faculties in each year. The response rates (weighted averages) for each sector and the system overall are provided in the table below:

Year	Colleges	Technical Institutes	Universities	Private University Colleges	System Total
1998/99	69%	73%	51%	83%	63%
2000/01	73%	73%	55%	78%	66%

Note: The system total response rate for 2000/01 has increased 1% from the percentage reported in the 2001/02 Annual Report as a result of slight corrections made to response rate data for two public colleges.

The survey instrument is in the *Key Performance Indicators Reporting Manual for Alberta's Post-Secondary Institutions* (June 2002), pp.18-22, available online at www.aecd.gov.ab.ca/software/. The question is the same each year. Appendix A of the manual provides the guidelines for conducting the satisfaction survey. The most recent data were collected by the publicly funded post-secondary institutions in 2000/01 and submitted in 2001/02 to the Ministry's Key Performance Indicators Reporting System (KPIRS). Results reported are the combined percentages of respondents who were "fully satisfied" or "somewhat satisfied." "No Responses" were excluded. For the 2000/01 graduating student satisfaction survey, all institutions used a five-point scale (fully satisfied, somewhat satisfied, neutral, somewhat dissatisfied, and very dissatisfied categories). For the 1998/99 survey, a few colleges had not made the transition from the three-point to the five-point scale. In order to have some comparability among the colleges and technical institutes, the responses to "somewhat satisfied" for those using the three-point scale were apportioned among the "somewhat satisfied" and "neutral" categories in the five-point scale in the same ratio as the distribution of responses to these categories among the institutions using the five-point scale. Results do not include apprenticeship graduates. These graduates are surveyed separately, and apprentice graduate satisfaction results are reported on page 18.

Provincial Achievement Tests

Students in grades 3, 6 and 9 write provincial achievement tests annually in language arts and mathematics while grade 6 and 9 students also write tests in science and social studies. The achievement test results for grades 3, 6 and 9 provide information on how well students are meeting provincial standards in the core academic subjects. Tests are developed and administered by educators and are based on expectations in the provincial curriculum. Results are reported in relation to the acceptable standard and the standard of excellence. A student achieving the acceptable standard in a specific grade shows an adequate understanding of the core knowledge and adequate basic skills essential to that course. A student achieving the standard of excellence consistently shows a deeper understanding of the concepts of the course – an ability to integrate information and evaluate it from various points of view. For each achievement test, the cut scores for the acceptable standard and the standard of excellence are set initially by a standard-setting

committee of about 20 teachers using the Modified Angoff Standard Setting Procedure. This procedure uses teachers' judgment to determine how many items a student must answer correctly to achieve each standard. In subsequent years, the cut scores for each test are adjusted through test equating. This ensures that the standards remain constant even if test difficulty varies slightly from year to year. Whenever curriculum is revised, the standard-setting process is done again.

Given the large numbers of students in each grade, approximately 40,000, differences in results from year to year of more than 0.4 percentage points on any test are considered significant. Results on provincial achievement tests are calculated and presented in two ways:

- on the basis of student writing the achievement tests in grades 3, 6 and 9 who achieved the standards, and
- on the basis of total enrolment in each of these grades who demonstrated the standards.

Not all students write the provincial achievement tests. Achievement test results are not available for students who were absent, who were excused from writing by the superintendent (because participation would be harmful to the student, or the student could not respond to the test instrument), who wrote but whose results were withheld, or who wrote only one part of a language arts test. It is possible that some of these students, under different circumstances, could have demonstrated achievement of standards on the test. Participation rates are calculated by dividing the number of students who wrote the test by the sum of total enrolment in grade plus the ungraded students who are in the corresponding year of schooling.

Provincial combined results present the un-weighted averages based on percentages of students achieving standards, as the populations are relatively stable from year to year and grade to grade. Test results and participation are recorded and aggregated in Ministry systems. Provincial, school authority and school results are available on Alberta Learning's website at:
http://www.learning.gov.ab.ca/k_12/testing/default.asp.

Diploma Examinations

Examinations are administered in all diploma exam courses in January, June and August each year. Exams are administered in three courses in both November and April, for a total of six courses. Results on diploma examinations show how well students are meeting provincial expectations as outlined in the Programs of Study. Exam items are developed and cut scores established by committees of teachers. The exam design is vetted through committees of stakeholders, and by a standard-setting committee of teachers.

Results are reported in relation to the acceptable standard and the standard of excellence. A student achieving the acceptable standard demonstrates that s/he has met the basic requirements of the course. A mark of 50 per cent on the examination represents the acceptable standard in a diploma examination course. A mark of 80 per cent on the examination represents the standard of excellence and indicates that the student has demonstrated performance significantly beyond the minimum requirements of the course. For results reported, the diploma exam mark is worth 50 per cent of the final mark in a course, the school-awarded mark contributes the other 50 per cent, and the course enrolment is representative of the group of students who typically take the course.

The table "Percentages of Grade 12 Students Completing Grade 12 Diploma Examination Courses" shows the percentage of grade 12 students who received a final mark in each diploma examination course for the last five years. The proportion of grade 12 students completing diploma examination courses varies from

year to year and from school to school depending on course enrolments and student success in achieving course requirements.

Diploma examination results and participation in diploma exam courses are recorded and aggregated in ministry systems. The provincial reports (*The Diploma Examination Multiyear Reports 1999-2003)* are available online at: http://www.learning.gov.ab.ca/k_12/testing/multipublic/dip/. These multi-year reports contain five years' of data extracted each year from live systems, which are updated regularly.

High School Completion Rate

The high school completion rate reports the percentages of Alberta students who, within three and five years of entering grade 10:

- received a high school diploma, equivalency diploma (GED) or Integrated Occupational Program (IOP) certificate, or
- entered an Alberta post-secondary institution or an apprenticeship program, or
- earned credits in five grade 12 courses, including one language arts diploma exam course and three other diploma exam courses.

The tracking of grade 10 students excludes some groups of students, such as a few categories of severe special needs and students whose education is not the responsibility of the provincial government. Data for this measure are extracted from Alberta Learning systems when data are complete for the previous school year, and adjusted for attrition using estimates from Statistics Canada's *Annual Demographic Statistics, 2002* (CD-ROM). A detailed description of the methodology and high school completion rates for Alberta school jurisdictions are available online at http://www.learning.gov.ab.ca/k_12/completion/.

Apprenticeship Completion Rate

The methodology used for arriving at the apprenticeship completion rate is based on tracking apprentices who have successfully completed all the work experience and formal training requirements for their first period of apprenticeship or who have received credit for prior learning or work experience for that year. These apprentices are tracked from the beginning of their second year, when significant public money is starting to be expended on their formal instruction, for two years beyond the expected length of their trade program to determine completion. Data to calculate the completion rate are extracted from the Skilled Trades Information System at the end of the tracking period when the data for the previous year are complete. Only trade programs of at least two years in length are included since tracking begins in an apprentice's second year. Most trade programs are four years in length.

The *Apprenticeship and Industry Training Act* stipulates that no one can be employed in certain occupations without either being a journeyman or an apprentice. Since apprenticeship registration is often a condition of employment, individuals may register as apprentices even though they may not intend to complete their program. Tracking apprentices starting in their second year reduces the cohort in recognition of those who register as a condition of employment but do not intend to complete.
Other factors may affect program completion times, such as apprentices being laid off work, choosing to delay their technical training at the request of employers or for personal reasons. Given these employment conditions and factors affecting completion, two additional years is considered to be a reasonable length of time for apprentices to complete their programs. For example, the majority of apprentices in four-year programs would be expected to complete their programs within six years.

Data are from the Skilled Trades Information System (STIS) maintained by the Apprenticeship and Industry Training Division of Alberta Learning.

Interim Post-Secondary Completion Rate

The interim post-secondary completion rate is based on tracking first-year, full-time career and undergraduate students in parchment programs (certificate, diploma and bachelor degree programs) at public post-secondary institutions. Students are tracked for the program length (typically one year for certificate, two years for diploma and four years for degree programs) plus three years in the institution where they entered as a first-time, full-time student. Three additional years are provided to account for a variety of circumstances, such as change in program, discontinuous enrolment, cooperative programs (alternate periods of work and study) and reduced course loads. Data for these calculations are extracted from the Learner Enrolment Registration system when data for the previous academic year are complete. Students in graduate programs, university transfer programs and applied degree programs are excluded.

Interim post-secondary completion rates for institutions have been aggregated into two categories, university completion which tracks students in four-year undergraduate degree programs and college/technical institution completion which tracks students in certificate and diploma programs (usually up to two years of study). The university category includes Alberta College of Art & Design's programs, all of which are four-year undergraduate degree programs. Athabasca University is not included in the completion rate due to the lack of comparability between a distance-delivery institution and traditional campus-based universities. Also excluded from this interim completion rate are the private university colleges, as there is not yet sufficient data to generate a completion rate for these institutions.

This interim completion rate methodology is unable to track students who start at one institution but transfer to another institution. As a result, transfer students (both those who complete and those who do not) are counted as non-completers. Alberta Learning is currently implementing an Alberta Student Number (ASN) for post-secondary students that would allow for a more accurate calculation of completion rates within the post-secondary system, including tracking of transfer students.

Educational Attainment

The Labour Force Survey is a monthly Canada-wide survey of a representative sample of households. Data are collected about all members of the household who are 15 years of age or older. Excluded from the Labour Force Survey are persons living on Indian reserves, inmates of prisons, and members of the military. As some of these groups (which represent about 2% of the population age 15+) typically have lower education levels than the total population, educational attainment rates based on Labour Force Survey data may be slightly higher than the true rate for the full population age 15+.

The high school and post-secondary completion rates for 25-34 year-olds are presented as they represent recent outputs of Alberta's learning system. The Canadian sample size for the monthly Labour Force Survey has been about 54,000 households over the reporting period. Alberta's sample size corresponds to its share of the population. In 2002, between 4,447 and 5,676 Alberta households were surveyed each month (an average of 4,776 per month), with information provided on between 8,134 and 10,377 individuals per month (an average of 8,751 per month).

The educational attainment rates presented are annual aggregates for the calendar year. The coefficient of variation, or CV, (the standard error as a percentage of the reported result) is 2.5% for the Alberta data and 1.0% for the Canadian data. Additional information on the Labour Force Survey methodology and interpreting CVs is available on pages 18-24 of *Guide to the Labour Force Survey*, Catalogue no. 71-543-GIE (Revised, February 2003), available on-line from Statistics Canada: http://www.statcan.ca.

Participation in Early Childhood Services (ECS) Programs

The participation rate in ECS programs is the percentage of all Alberta grade 1 students in the current school year who had an Alberta ECS registration in any prior school year. The calculation is adjusted to account for grade 1 students who entered Alberta from another province or country in the previous year, and thus would not have attended ECS in Alberta. In-migration data include the estimated number of immigrants and of inter-provincial in-migrants five years old as of July 1st of the calendar year. The grade 1 and ECS registration data are from the Corporate Data Warehouse maintained by Information Services, Alberta Learning. The data are extracted from the Corporate Data Warehouse when student registration information is complete for the school year. The in-migration data are from Statistics Canada, *Annual Demographic Statistics, 2002* (CD-ROM).

Employment Rate of Post-Secondary Graduates

The employment rate calculation used by Alberta Learning is the percentage of post-secondary graduates in the labour force who are employed. Every second year, graduates who have completed post-secondary parchment, preparatory and basic upgrading programs in the publicly funded post-secondary institutions are surveyed. Most institutions use a census survey method, which attempts to obtain responses from all graduating students. The University of Alberta and the University of Calgary surveys used a quota sampling method which targeted achieving a response rate of at least 50% in 1997/98 and 60% in 1999/2000 and 2001/02, and included over sampling of students in smaller faculties in each year. The response rates (weighted averages) for each sector and overall system are provided in the table below:

Year	Colleges	Technical Institutes	Universities	Private University Colleges	System Total
1997/98	72%	85%	51%	37%	64%
1999/2000	57%	75%	59%	56%	62%
2001/02	64%	79%	57%	57%	64%

The survey instrument is in *the Key Performance Indicators Reporting Manual for Alberta Post-secondary Institutions*, (June, 2002), pp 26-31, available online at: www.aecd.gov.ab.ca/software/. Appendix A of the manual provides the guidelines for conducting employment surveys. The most recent data were collected by the publicly funded post-secondary institutions in 2001/02 and submitted in 2002/03 where it is maintained in the Ministry's Key Performance Indicators Reporting System (KPIRS). For university and private university colleges, the survey is conducted two years after graduation. For colleges and technical institutes, surveys are conducted 6-9 months after graduation. Response categories on the colleges and technical institutes for 1997/98 results used a three-point scale: "very related", "somewhat related", and "not at all related". For 1999/2000 and 2001/02, most of the institutions had implemented a five-point scale ranging from "very related" to "not at all related". The universities and university colleges used a four-point scale with specific responses of "very related", "somewhat related", "not very related" and "not at all related". For all scales, the percentages reported for employed in related work included all responses except "not at all related". Results do not include apprenticeship graduates. These graduates are surveyed separately, with employment rates of apprenticeship graduates available online at http://www.tradesecrets.org/forms_publications/board_annual_report/pdf/board_ann_rep02-03.pdf

STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS FOR THE YEAR ENDED MARCH 31, 2003

The following statement has been prepared pursuant to Section 23 of the *Financial Administration Act*. This statement includes all remissions, compromises and write-offs made or approved during the fiscal period.

	(in thousands)
Remissions under Section 21 of the *Financial Administration Act*:	
Total remissions	$ 39,611
Compromises under Section 22 of the *Financial Administration Act*:	
Total compromises	$ 25
Write-offs	
Implemented Guarantees, Indemnities, Loans and Advances *Student Loan Act*	$ 599
Department Accounts Receivable	102
Total write-offs	$ 701
Total remissions, compromises and write-offs	$ 40,337

STATEMENT OF GUARANTEES AND INDEMNITIES GIVEN BY THE CROWN AND PROVINCIAL CORPORATIONS FOR THE YEAR ENDED MARCH 31, 2003

The following has been prepared pursuant to section 75 of the *Financial Administration Act*. This statement summarizes the amounts of all guarantees given by the Crown through the Ministry of Learning under the Student Loan Act for the year ended March 31, 2003, the amounts paid as a result of liability under guarantees, and the amounts recovered on debts owing as a result of payments under guarantees.

	(in thousands)		
	Amount of Guarantee	Payments	Recoveries
Crown Guarantees	$ -	$ 4,440	$ 1,118

10. Alphabetical List of Entities' Financial Information in Ministry 2002/03 Annual Reports

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry, Department, Fund or Agency*
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation, The	Community Development
Alberta Insurance Council	Finance
Alberta Municipal Financing Corporation	Finance
Alberta Opportunity Company	Agriculture, Food and Rural Development
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	Children's Services
Awasak Child and Family Services Authority	
Calgary Rocky View Child and Family Services Authority	
Child and Family Services Authority Region 13	
Child and Family Services Authority Region 14	
Diamond Willow Child and Family Services Authority	
Hearthstone Child and Family Services Authority	
Keystone Child and Family Services Authority	
Ma' Mowe Capital Region Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Neegan Awas'sak Child and Family Services Authority	
Ribstone Child and Family Services Authority	
Sakaigun Asky Child and Family Services Authority	
Sakaw-Askiy Child and Family Services Authority	
Silver Birch Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Sun Country Child and Family Services Authority	
West Yellowhead Child and Family Services Authority	
Windsong Child and Family Services Authority	
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry, Department, Fund or Agency*
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCore Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[1]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[1]	Economic Development
Ministry of Energy	Energy
Ministry of Environment[1]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[1]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[1]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[1]	Human Resources and Employment
Ministry of Infrastructure[1]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[1]	International and Intergovernmental Relations
Ministry of Justice[1]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[1]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation[1]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development

[1] Ministry includes only the department so separate department financial statements are not necessary.

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Persons with Developmental Disabilities Community Boards	
Calgary Community Board	Community Development
Central Community Board	Community Development
Edmonton Community Board	Community Development
Northeast Community Board	Community Development
Northwest Community Board	Community Development
South Community Board	Community Development
Persons with Developmental Disabilities Foundations[2]	Community Development
Persons with Developmental Disabilities Michener Centre Facility Board	Community Development
Persons with Developmental Disabilities Provincial Board	Community Development
Provincial Judges and Masters in Chambers Reserve Fund	Finance
S C Financial Ltd.	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation, The	Community Development

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan -Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan -Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account, The	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Universities Academic Pension Plan	Finance
Workers' Compensation Board	Human Resources and Employment

[1] Dissolved June 2001

IPAC Gold Award for Innovative Management

In 2001, the Institute of Public Administration of Canada (IPAC) awarded its Gold Award for Innovative Management to the Government of Alberta for its Corporate Human Resource Development Strategy, which was developed to address the present and future human resource needs of the Alberta Public Service.

In 2002, the Government of Alberta received the IPAC Gold Award for Innovative Management for the Youth Justice Committee Program, a community-based alternative response for young offenders.